

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND FOURTEENTH LEGISLATURE
FIRST SPECIAL SESSION

August 21, 1989 to August 22, 1989

and

SECOND REGULAR SESSION

January 3, 1990 to April 14, 1990

THE GENERAL EFFECTIVE DATE FOR
NON-EMERGENCY LAWS IS
July 14, 1990

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
1990

PUBLIC LAWS
OF THE
STATE OF MAINE

AS PASSED AT THE
SECOND REGULAR SESSION

of the
ONE HUNDRED AND FOURTEENTH LEGISLATURE

January 3, 1990 to April 14, 1990

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

Effective April 10, 1990.

CHAPTER 812

H.P. 1642 - L.D. 2275

An Act to Provide for the 1990 and 1991 Allocations of the State Ceiling on Private Activity Bonds

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Maine Revised Statutes, Title 10, section 363 and Public Law 1989, chapter 224 make a partial allocation of the state ceiling on private activity bonds to some issuers for calendar year 1990, but leave a portion of the state ceiling unallocated and do not provide sufficient allocations for certain types of private activity bonds that may require an allocation prior to the effective date of this Act if not enacted on an emergency basis; and

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

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

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

Sec. 1. 10 MRSA §363, sub-§1-A, as amended by PL 1987, c. 668, §1, is further amended to read:

1-A. Procedure. For calendar year 1987 and each subsequent calendar year, the Legislature may establish a procedure for allocation of the entire amount of the state ceiling by allocating an amount of the state ceiling to the specific issuers designated in this section for further allocation by each specific issuer to itself or to other issuers for specific bond issues requiring an allocation of the state ceiling or for carryforward. This procedure shall ~~supersede~~ supersede the federal formula to the full extent that the United States Code, Title 26, authorizes the Legislature to vary the federal formula. Allocations may be reviewed by the Legislature periodically and unused allocations may be reallocated to other issuers, provided that, notwithstanding the existence of legislation allocating or reallocating all or any portion of the state ceiling, at any time during the period from Septem-

ber 1st to and including December 31st of any calendar year, and at any other time that the Legislature is not in session, the issuers specifically identified in subsections 4 to 8 may, by unanimous written agreement executed by representatives of each of the issuers, allocate amounts not previously allocated and reallocate unused allocations from one of the specific issuers designated in this section to another specific issuer for further allocation or carryforward, with respect to the state ceiling for that calendar year only.

Sec. 2. 20 MRSA §2237, as enacted by PL 1983, c. 399, §1, is amended to read:

§2237. Authorization for Governor to request organizations of corporations to acquire loan notes

To the extent and for the purposes contemplated by the United States Internal Revenue Code of ~~1954~~ 1986, Section ~~403, (e)~~ 150, (d), as amended, the Governor may on behalf of the State request the organization of one or more nonprofit corporations to operate exclusively for the purpose of acquiring student loan notes incurred under the United States Higher Education Act of 1965, as amended. A nonprofit corporation formed under this section shall report annually on its activities during the previous fiscal year to the joint standing committee of the Legislature having jurisdiction over economic development matters. That report must include a listing of the current directors and officers of the corporation, a summary of the corporation's purchases of loans in the secondary market during the previous fiscal year, a listing of the institutions from which loans were purchased during the previous fiscal year, a summary of the organization's direct student loans and a complete financial statement of the corporation's operations for the previous fiscal year, including a breakdown of income and costs, a breakdown of the administrative and operating costs of the corporation, a breakdown of the assets and liabilities of the corporation, total excess revenues over expenditures for the previous fiscal year and the total accumulation of these revenues, total income derived from investments during the previous fiscal year and a breakdown showing the disposition and use of excess revenues and the proceeds from investments. That report must be provided annually in writing to the committee by December 1st.

Sec. 3. 20-A MRSA §11407, as repealed and replaced by PL 1989, c. 698, §§13 and 76, is amended to read:

§11407. Authorization for Governor to request organizations of corporations to acquire loan notes

To the extent and for the purposes contemplated by the federal Internal Revenue Code of 1954, Section 103(e), as amended, and successor provisions thereto, including without limitation the federal Internal Revenue Code of 1986, Section 150(d), as amended, the Governor may on behalf of the State request the organization of one or more nonprofit corporations to operate exclusively for

the purpose of acquiring student loan notes incurred under the federal Higher Education Act of 1965, 20 United States Code, Chapter 28, Title IV, Part B, as amended. A nonprofit corporation formed under this section shall report annually on its activities during the previous fiscal year to the joint standing committee of the Legislature having jurisdiction over economic development matters. That report must include a listing of the current directors and officers of the corporation, a summary of the corporation's purchases of loans in the secondary market during the previous fiscal year, a listing of the institutions from which loans were purchased during the previous fiscal year, a summary of the organization's direct student loans and a complete financial statement of the corporation's operations for the previous fiscal year, including a breakdown of income and costs, a breakdown of the administrative and operating costs of the corporation, a breakdown of the assets and liabilities of the corporation, total excess revenues over expenditures for the previous fiscal year and the total accumulation of these revenues, total income derived from investments during the previous fiscal year and a breakdown showing the disposition and use of excess revenues and the proceeds from investments. That report must be provided annually in writing to the committee by December 1st.

Sec. 4. Allocation to Treasurer of State. Five million dollars of the state ceiling for calendar year 1990 previously allocated to the Treasurer of State remains allocated to the Treasurer of State. Ten million dollars of the state ceiling for calendar year 1991 is allocated to the Treasurer of State to be used in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 5.

Sec. 5. Allocation to Finance Authority of Maine. The \$25,000,000 in state ceiling for calendar year 1990 previously allocated to the Finance Authority of Maine, plus an additional \$83,000,000, is 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. Twenty-five million dollars of the state ceiling for calendar year 1991 is allocated to the Finance Authority of Maine to be used or reallocated in accordance with Title 10, section 363, subsection 6.

Sec. 6. Allocation to Maine Municipal Bond Bank. The \$10,000,000 of the state ceiling previously allocated to the Maine Municipal Bond Bank for calendar year 1990, plus an additional \$7,000,000 of the state ceiling for calendar year 1990 is 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. Ten million dollars of the state ceiling for calendar year 1991 is allocated to the Maine Municipal Bond Bank to be used or reallocated in accordance with Title 10, section 363, subsection 7.

Sec. 7. Allocation to Maine Educational Loan Authority. None of the state ceiling for calendar year 1990 previously allocated to the Maine Educational Loan

Authority is allocated to the Maine Educational Loan Authority. None of the state ceiling for calendar year 1991 is allocated to the Maine Educational Loan Authority.

Sec. 8. Allocation to Maine State Housing Authority. Ten million dollars of the state ceiling for calendar year 1990 previously allocated to the Maine State Housing Authority, plus an additional \$10,000,000, is 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. Twenty-five million dollars of the state ceiling for calendar year 1991 is allocated to the Maine State Housing Authority for the same uses.

Sec. 9. Allocation to Maine Educational Loan Marketing Corporation. Twenty-five million dollars of the state ceiling for calendar year 1991 is allocated to the Maine Educational Loan Marketing Corporation to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 8.

Sec. 10. Unallocated state ceiling. Fifty-five million dollars of the state ceiling for calendar year 1991 is unallocated and must be reserved for future allocation in accordance with applicable law.

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

Effective April 10, 1990.

CHAPTER 813

H.P. 1592 - L.D. 2205

An Act to Amend the Law Concerning Public Drains and Sewers Crossing Railroad Rights-of-way

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, drain and sewer construction under railroad tracks should be coordinated with maintenance work being done on the railroad tracks and the railroad bed, whenever possible, to minimize disruption to the rail lines; and

Whereas, before this Act becomes effective, railroad maintenance will be conducted in certain areas where municipal sewer and drain construction is needed; and

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