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An Act To Provide for the 2010 and 2011 Allocations of the State Ceiling on Private Activity Bonds

Emergency preamble. Whereas, acts and resolves 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 Private and Special Law 2009, chapter 14 make a partial allocation of the state ceiling on private activity bonds to some issuers for calendar year 2010, 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. Allocation to the Treasurer of State. The \$5,000,000 in state ceiling for calendar year 2010 previously allocated to the Treasurer of State remains allocated to the Treasurer of State to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 5 for calendar year 2010. Five million dollars of the state ceiling for calendar year 2011 is allocated to the Treasurer of State to be used or reallocated in accordance with Title 10, section 363, subsection 5.

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

1. The \$40,000,000 in state ceiling for calendar year 2010 previously allocated to the Finance Authority of Maine remains 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 2010. Forty million dollars of the state ceiling for calendar year 2011 is allocated to the Finance Authority of Maine to be used or reallocated in accordance with Title 10, section 363, subsection 6.

2. The \$60,000,000 in state ceiling for calendar year 2010 previously allocated to the Finance Authority of Maine remains allocated to the Finance Authority of Maine, the entity designated pursuant to the Maine Revised Statutes, Title 20-A, section 11407, to be used or reallocated in accordance with Title 10, section 363, subsection 8-A. Ten million dollars of previously unallocated state ceiling for calendar year 2010 is allocated to the Finance Authority of Maine to be used or reallocated in accordance with Title 10, section 363, subsection 8-A for calendar year 2010. Forty million dollars of the state ceiling for calendar year 2011 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 the Maine Municipal Bond Bank. The \$10,000,000 of the state ceiling for calendar year 2010 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 2010. Ten million dollars of the state ceiling for calendar year 2011 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 the Maine Educational Loan Authority. Twenty million dollars of the \$40,000,000 of state ceiling for calendar year 2010 previously allocated to the Maine Educational Loan Authority remains allocated to the Maine Educational Loan Authority to be used or reallocated in accordance with the Maine Revised Statutes, Title 10, section 363, subsection 8 for calendar year 2010. Twenty million dollars of the state ceiling for calendar year 2011 is allocated to the Maine Educational Loan Authority to be used in accordance with Title 10, section 363, subsection 8.

Sec. 5. Allocation to the Maine State Housing Authority. The \$50,000,000 of the state ceiling for calendar year 2010 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 in calendar year 2010. Forty million dollars of the state ceiling for calendar year 2011 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 2010, \$78,775,000 is unallocated and must be reserved for future allocation in accordance with applicable laws. Of the state ceiling for calendar year 2011, \$118,775,000 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 legislation takes effect when approved.

SUMMARY

This bill establishes the allocations of the state ceiling on issuance of tax-exempt bonds for calendar years 2010 and 2011. Under federal law, a maximum of \$273,775,000 in tax-exempt bonds benefiting private individuals or entities may be issued in the State in 2010 and at least \$273,775,000 in tax-exempt bonds benefiting private individuals or entities may be issued in the State in 2011. This bill allocates the state ceiling among the state level issuers of tax-exempt bonds.