



125th MAINE LEGISLATURE

LD 1667

LR 2404(03)

An Act To Clarify Authorization for a Court Facilities Bond

Fiscal Note for Bill as Engrossed with:

C "A" (S-417)

Committee: Appropriations and Financial Affairs

Fiscal Note

Potential future biennium cost increase - General Fund

Fiscal Detail and Notes

Although the existing \$67,500,000 limit on borrowing is not raised by this bill, allowing additional kinds of expenditures for construction of court facilities in Machias and for planning for other court facilities may raise the amount of future debt service appropriations required by the Judicial Department. If it is assumed that every dollar of the limit would have been issued and spent without the additional uses being allowed, there would be no net increased costs, only a reduction in previously anticipated costs to offset the new construction and planning uses.

Ordinarily, changing the allowable use of bond proceeds after the official statement (OS) for the bonds and certain closing documents have been finalized would create significant legal considerations for a bond issuer. However, because the changes in this bill were consistent with the general language used to describe the use of the proceeds in the OS and closing documents, and because there will be at least one more issue related to the \$67,500,000 limit which could be worded to encompass the alternative use of new proceeds, it is not anticipated that this bill will create any legal problems for the Maine Governmental Facilities Authority.