

§1024. Additions to funds

1. Request for funds. If at any time the money in the Mortgage Insurance Fund and the money in the Loan Insurance Reserve Fund, exclusive of the money pledged or assigned as security for specific obligations of the authority, is insufficient to meet expenses and obligations of the authority, as these expenses and obligations are projected by the authority to become due and payable, the authority shall in writing request the Governor to provide the necessary money. The Governor shall transfer sufficient money to the Mortgage Insurance Fund or Loan Insurance Reserve Fund, as directed by the authority, from the State Contingent Account or the proceeds of bonds of the State issued pursuant to subsection 2. If at any time the money in the Underground Oil Storage Replacement Fund, exclusive of any amounts reserved by law for direct loans pursuant to section 1023-D, subsection 3, is insufficient to meet the expenses and obligations of the authority incurred pursuant to section 1026-A, subsection 1, paragraph A, subparagraph (1), division (b), as these expenses and obligations are projected by the authority to become due and payable, the authority shall in writing request the Governor to provide the necessary money. Within 30 days of receipt of the request, the Governor shall transfer sufficient money to the Underground Oil Storage Replacement Fund from the Maine Ground and Surface Waters Clean-up and Response Fund or the proceeds of bonds of the State issued pursuant to subsection 2. [PL 2015, c. 319, §3 (AMD).]

2. Issuance of bonds. If a request for funds is made under subsection 1 and if there are insufficient funds in the State Contingent Account, bonds of the State shall be issued in the following manner:

- A. By the Treasurer of State on orders from the Governor; [PL 1985, c. 714, §13 (RPR).]
- B. In the amount required, but not exceeding in the aggregate at any one time outstanding the amount set forth in:
 - (1) The Constitution of Maine, Article IX, Section 14-A, as it may be from time to time amended, except that bonds issued under that section and this subsection may not exceed in the aggregate at any one time outstanding the principal amount of \$90,000,000; and
 - (2) The Constitution of Maine, Article IX, Section 14-D, as it may be from time to time amended, except that bonds issued under that section and this subsection may not exceed in the aggregate at any one time outstanding the principal amount of \$4,000,000; [PL 1993, c. 460, §5 (AMD).]
- C. To mature serially or to run for such periods as the Governor may determine, not to exceed 10 years, to be subject to prior redemption or repurchase at the option of the State or the holder, as the Governor may determine, with or without premium; [PL 1985, c. 714, §13 (RPR).]
- D. At variable or fixed rates of interest, in such denominations, at such price, at public or private sale, in such manner and on such other terms and conditions as approved by the Governor; and [PL 1985, c. 714, §13 (RPR).]
- E. As a pledge of the full faith and credit of the State. [PL 1985, c. 714, §13 (RPR).]

If, at any time, the Governor fails to honor such a request for funds or to so order the Treasurer of State or, if the Treasurer of State fails to issue such bonds upon such order, any beneficiary of a valid mortgage insurance obligation of the authority may, by suit against the Governor, seek to require the Governor to honor the request either by payment from the State Contingent Account or by ordering the Treasurer of State to issue such bonds with the proceeds applied to honor the request and may, by suit against the Treasurer of State, seek to require the Treasurer of State to issue the bonds. [PL 1993, c. 460, §5 (AMD).]

3. Insurance authorization. The authority shall not at any time have, in the aggregate principal amount outstanding, mortgage insurance obligations pursuant to this subchapter in excess of the amounts of authorized and unissued bonds pursuant to subsection 2, paragraph B.

[PL 1985, c. 714, §13 (RPR).]

4. Refunding bonds. The State, acting through the Treasurer of State on orders from the Governor, may issue refunding bonds of the State to refund any outstanding bonds issued pursuant to subsection 2. The refunding bonds shall meet the conditions of subsection 2, paragraphs C, D and E. In computing the total amount of bonds of the State which may at any time be outstanding pursuant to subsection 2, the amount of the outstanding bonds refunded or to be refunded from the proceeds of the sale of new bonds or by exchange of new bonds shall be excluded.

[PL 1985, c. 714, §13 (RPR).]

SECTION HISTORY

PL 1981, c. 476, §2 (NEW). PL 1981, c. 698, §§57,58 (AMD). PL 1983, c. 4 (AMD). PL 1985, c. 198, §1 (AMD). PL 1985, c. 344, §46 (RPR). PL 1985, c. 714, §13 (RPR). PL 1987, c. 521, §§5,6 (AMD). PL 1987, c. 697, §5 (AMD). PL 1987, c. 846, §§6,7 (AMD). PL 1989, c. 543, §4 (AMD). PL 1993, c. 460, §5 (AMD). PL 2003, c. 537, §29 (AMD). PL 2003, c. 537, §53 (AFF). PL 2015, c. 319, §3 (AMD).

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