



126th MAINE LEGISLATURE

LD 790

LR 1161(01)

An Act To Repeal the Bonding Authority of the Maine Governmental Facilities Authority

Preliminary Fiscal Impact Statement for Original Bill

Sponsor: Rep. Sirocki of Scarborough

Committee: Appropriations and Financial Affairs

Fiscal Note Required: Yes

Preliminary Fiscal Impact Statement

Potential future biennium savings - General Fund

Fiscal Detail and Notes

Repealing the ability of the Maine Governmental Facilities Authority to issue bonds or negotiable securities effective October 1, 2013 may result in lower debt service costs in the future to the State or court system for projects that will not be funded through the Authority. Any potential debt service savings could be offset by any additional costs incurred if the alternative to bonding turns out to be renting facilities from private parties.

Repealing the ability to refund existing bonds at lower interest rates is not expected to have an impact in the short-term as the recent historically low rates have already allowed refinancing of existing bonds at favorable levels.