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TO: Senator Tim Nangle
Representative Holly Stover
Joint Standing Committee on State and Local Government

FROM: Henry E.M. Beck, State Treasurer

DATE: March 12, 2024

RE: LD 2248 An Act to Reduce the Reporting Requirements for Special Utility Districts and Require the Maine Public Utility Financing Bank to File a Report with the Legislature.

Good afternoon, Senator Nangle, Representative Stover, and members of the Joint Standing Committee on State and Local Government. My name is Henry Beck, and I am the State Treasurer. Thank you for this opportunity to testify in support of LD 2248, an Act to Reduce the Reporting Requirements for Special Utility Districts and Require the Maine Public Utility Financing Bank to File a Report with the Legislature.

The State Treasurer serves as an Ex-Officio member of the Board of the Maine Municipal Bond Bank and the Public Utility Financing Bank. In this capacity, I oversee the important work these entities perform in making affordable credit available to Maine's municipalities, Special Utility Districts and Public Utilities. I support the goals of this proposed legislation to reduce unnecessary reporting requirements and to streamline responsibilities for the Banks and the borrowers they assist.

As to the Special Utility Districts, current law provides that all districts are to file annual reports with the Bond Bank regardless of whether they participate in borrowing programs. This requirement has proven burdensome to both the Bond Bank and districts it serves. This should be reduced to apply only to those reports needed and requested by the Bond Bank. This would enable it to focus its work on actual borrowers and alleviate the burden on non-borrowers from an obligation from submitting unnecessary paperwork. For these reasons, I think this initiative is worthy of your support.

As this bill relates to the Public Utility Financing Bank, I agree with the changes proposed by the director of the Bank, limiting reporting and meeting requirements. In the case of the PUFB, there has been no activity at the body since 2013, and therefore no information to report to either the Bureau of the Budget or Governor. As suggested by Director Hayes, reporting requirements could be more efficiently limited to only years when activity occurs. Additionally, I support the leadership positions of the of PUFB reflecting those of the Municipal Bond Bank, to streamline the process for this little-used entity.

Thank you for the opportunity to testify on this important bill. I appreciate the committee's attention to this matter.