



STATE OF MAINE  
**OFFICE OF THE STATE TREASURER**  
39 State House Station, Augusta, ME 04333-0039  
[www.maine.gov/treasurer](http://www.maine.gov/treasurer)

**JOSEPH C. PERRY**  
State Treasurer  
**GREGORY OLSON**  
Deputy State Treasurer

TO: Senator Peggy Rotundo  
Representative Drew Gattine  
Joint Standing Committee on Appropriations and Financial Affairs

FROM: Joseph C. Perry, State Treasurer

DATE: February 25, 2026

RE: L.D. 2212 An Act Making Unified Supplemental Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 2026 and June 30, 2027"

Good afternoon, Senator Rotundo, Representative Gattine and members of the Joint Standing Committee on Appropriations and Financial Affairs. My name is Joe Perry, and I am the State Treasurer. Thank you for this opportunity to come before you today to discuss the Debt Service portion of Office of the Treasurer's budget. I am here today to testify in support of the fiscal year 2026-2027 biennial budget bill, LD 2212.

There are currently \$65 million of authorized but unissued bonds, approved at referendum in November of 2024. We are projecting issuance from this authorization of \$32.5 million in FY 2026 and \$32.5 million in 2027. In addition, we are projecting up to \$100 million issued in 2027 for any new issuance authorized by the legislature. A chart illustrating the debt service projections are included with my testimony.

Debt service is outlined on page A-115 and includes one initiative. The initiative adjusts funding levels for FY2026 and FY2027.

## Office of the State Treasurer - Debt

	FY25	Rate	FY26	Rate	FY27	Rate	FY28	Rate	FY29	Rate
1 Bond Issue		5.00%	32,500,000	5.00%	132,500,000	5.00%	100,000,000	5.00%	100,000,000	5.00%
<i>assumes \$100M new authorizations per FY</i>										
2 Current Debt Service Principal	93,780,000		83,515,000		73,745,000		63,945,000		52,820,000	
<i>already authorized, already issued</i>										
3 Current Debt Service Interest	21,998,088		17,712,488		13,721,788		10,068,338		6,897,750	
<i>already authorized, already issued</i>										
4 New Principal (from FY26 bond issue)					3,250,000		3,250,000		3,250,000	
New Interest (from FY26 bond issue)					1,625,000		1,462,500		1,300,000	
5 New Principal (from FY27 bond issue)							13,250,000		13,250,000	
New Interest (from FY27 bond issue)							6,625,000		5,962,500	
6 New Principal (from FY28 bond issue)									10,000,000	
New Interest (from FY28 bond issue)									5,000,000	
7 BAN Interest (cash pool IB)		6.00%	487,500	6.00%	1,987,500	6.00%	1,500,000	6.00%	1,500,000	6.00%
<i>FY22-23 assumes 1/2 of the bond issue amount via BAN/IB for 1/2 the year</i>										
8 Line of Credit (TAN) Interest		6.00%		6.00%		6.00%		6.00%		6.00%
<i>FY19-23: no TAN</i>										
<b>Total Debt Service Budget</b>	<b>115,778,088</b>		<b>101,714,988</b>		<b>94,329,288</b>		<b>100,100,838</b>		<b>99,980,250</b>	
Current Appropriation	117,205,145		112,477,487		111,891,787		111,891,787		111,891,787	
Over/Short	1,427,058		10,762,500		17,562,500		11,790,950		11,911,537	
Supplemental	(11,178,000)				(15,000,000)					
Transfer from Debt Service Earnings	11,178,000									
Carry Forward Balance			1,427,058		12,189,557		14,752,057		26,543,006	
Savings/Appropriation Needed	1,427,058		12,189,557		14,752,057		26,543,006		38,454,543	
			Projected Biennial Savings (FY26-27) -->			14,752,057				