

By Mr. Piro of Somerville, petition of Vincent J. Piro for legislation relative to revenue bonds and providing for an exemption of obligations insured by the Massachusetts Industrial Finance Agency from certain limitations. Commerce and Labor.

The Commonwealth of Massachusetts

In the Year One Thousand Nine Hundred and Eighty-Two.

AN ACT RELATING TO REVENUE BONDS AND PROVIDING FOR THE EXEMPTION OF OBLIGATIONS INSURED BY THE MASSACHUSETTS INDUSTRIAL FINANCE AGENCY FROM THE LIMITATIONS PLACED ON THE TOTAL OBLIGATIONS OF ONE BORROWER TO A TRUST COMPANY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Section one of chapter 40D of the General Laws,
2 as amended by section two of chapter 787 of the Acts of 1979, is
3 amended by substituting for the third to last sentence of subsection
4 (1) thereof, commencing "Facilities to be rented to a party....", the
5 following new sentence: — Facilities for the use of governmental
6 and nonprofit entities shall be considered facilities to be used in a
7 commercial enterprise, and bonds may be issued under this chapter
8 to finance costs of such facilities, including such costs paid prior to
9 the authorization of such bonds as the board of directors of the
10 Massachusetts Industrial Finance Agency, referred to in this chap-
11 ter as the MIFA board, shall approve in connection with the
12 provision of such facilities; and for this purpose the term commer-
13 cial enterprise shall be read to include the operation of such facili-
14 ties, but the requirements of clause (e) of subsection (2) of section
15 twelve shall not apply if the MIFA board of determines that the
16 issuance of the bonds will result in a public benefit.

1 SECTION 2. Section one of said chapter 40D, as appearing in
2 section one of chapter 495 of the Acts of 1978, as amended by
3 section two of chapter 787 of the Acts of 1979, is amended by

4 inserting at the end of subsection (e) thereof the following:—
5 including but not limited to the establishment and funding of
6 reserves to secure such bonds.

1 SECTION 3. The second paragraph of section ten of said chap-
2 ter 40D, as appearing in section nine of chapter 495 of the Acts of
3 1978, as amended by section three of chapter 787 of the Acts of
4 1979, is amended (a) by deleting all of the second sentence thereof
5 except the phrase: — Each issue of bonds shall be serial or term or a
6 combination of both types, — ; and (b) by deleting from the last
7 sentence thereof the phrase: — of commencing amortization after
8 the three year period or.

1 SECTION 4. Sections thirty-eight and thirty-nine of chapter
2 two hundred and sixty-one of the Acts of nineteen hundred and
3 eighty are repealed.

1 SECTION 5. Section 54 of chapter 172 of the General Laws, as
2 appearing in section one of chapter 493 of the Acts of 1961, as
3 amended by section five of chapter 648 of the Acts of 1970, and by
4 chapter 519 of the Acts of 1971, is amended by adding the following
5 paragraph 7 to subsection B:

6 7. Obligations to the extent that they are secured as to principal
7 and interest by the guarantee, insurance or other like commitment
8 of the Massachusetts Industrial Finance Agency pursuant to sec-
9 tion 34 of chapter 23A.