

WILLIAM DONALD SCHAEFER, Governor

annual amount of bonds for the benefit of nongovernmental persons that a state and its issuing authorities may issue] (the "[unified] PRIVATE ACTIVITY volume limitation"); and

WHEREAS, In order to allow the orderly continuation of the issuance of [nonessential function] PRIVATE ACTIVITY bonds by issuing authorities of the State ("State Issuers") and by Maryland issuing authorities other than State Issuers ("Local Issuers") (collectively, "State and Local Issuers" or Issuers") during this period of uncertainty [when] CREATED BY H.R. 3838 and THE CONFERENCE REPORT [other federal tax reform legislation is being considered], it is in the best interests of the State of Maryland to establish guidelines immediately for the allocation of the Maryland State Ceiling among such Issuers for the period beginning with AUGUST 15, 1986 THROUGH DECEMBER 31, 1986 [the date hereof, until the earlier of (i) the effective date of any legislation enacted by the Maryland General Assembly with respect to the allocation of the Maryland State Ceiling or (ii) such date provided in H.R. 3838, currently January 1, 1987]; and

[WHEREAS, This Proclamation will be amended or replaced after applicable federal tax reform legislation has become law and any amended or substitute Proclamation will be the subject of hearing and comment before it is promulgated; and]

[WHEREAS, This Proclamation amends the Executive Order dated February 14, 1986 known as the Proclamation for Volume Cap Allocation for State General Obligation Bonds Issued in 1986 (the "State Bond Proclamation"), by reducing the allocation made to the Board of Public Works for State general obligation bonds issued in 1986 from \$30,000,000 to \$10,000,000; and]

WHEREAS, [This Proclamation does not amend or supersede] Executive Order 01.01.1985.01 dated January 14, 1985, known as the Proclamation on Private Activity Bond Allocations for 1985 and Later (the "Private Activity Bond Proclamation"), as subsequently amended, BECAUSE OF ITS RESCISSION NO LONGER APPLIES TO THE ISSUANCE OF PRIVATE ACTIVITY BONDS UNLESS OTHERWISE PROVIDED HEREIN, so that Issuers issuing private activity bonds under the Code must comply with [the Private Activity Bond Proclamation and must also comply with] this Proclamation [where both are pertinent to the bonds involved]; and

WHEREAS, Advice has been solicited from representatives of Issuers and other interested persons regarding the revised allocation formula; and

WHEREAS, This Proclamation is intended to alter the method of allocating the [unified] PRIVATE ACTIVITY volume limitation