

WILLIAM DONALD SCHAEFER, Governor

industrial development, single-family and multi-family housing, and certain other governmental programs financed by Private Activity Bonds; and

WHEREAS, the provisions of the Tax Reform Act are effective retroactively for state and local bonds issued after August 15, 1986; and

WHEREAS, the Tax Reform Act provides only interim authority for the Governor of Maryland to proclaim a different State Ceiling allocation formula for Maryland (the "Maryland State Ceiling") under which Private Activity Bonds may be issued, which authority will expire on the earlier of the effective date of relevant state legislation or January 1, 1988; and

WHEREAS, the Conference Report to accompany the Tax Reform Act (the "Conference Report") indicates that such state action providing for a different State Ceiling allocation formula must refer specifically to the new Private Activity Bond volume limitation imposed by the Tax Reform Act (the "private activity volume limitation"); and

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

WHEREAS, in order to allow the orderly continuation of the issuance of 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") in a manner consistent with Private Activity Bond needs of State and Local Issuers it is in the best interests of the State of Maryland to establish guidelines for the allocation of the Maryland State Ceiling among such Issuers for the period beginning with the date hereof through December 31, 1987; and

WHEREAS, this Proclamation is intended to alter the method of allocating the private activity volume limitation for Maryland by establishing a different formula from that set forth in the Tax Reform Act for allocating such private activity volume limitation among State and Local Issuers.

NOW, THEREFORE, I, WILLIAM DONALD SCHAEFER, GOVERNOR OF MARYLAND, DO HEREBY PROCLAIM the following formula for allocating the Maryland State Ceiling as a substitute for the formula set forth in the Tax Reform Act:

Section 1. Delegation to Secretary of Economic and Community Development. The Governor hereby delegates to the Secretary of Economic and Community Development (the "Secretary") all authority to make any and all allocations, apportionments, determinations, or findings required or permitted by this