

# MAINE STATE LEGISLATURE

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ONE HUNDRED AND SEVENTH LEGISLATURE

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Legislative Document

No. 1697

H. P. 1378

House of Representatives, April 4, 1975

Referred to Committee on Appropriations and Financial Affairs. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Binnette of Old Town.

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STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
SEVENTY-FIVE

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AN ACT to Provide Funds for Employment Opportunities  
for Maine's Reservation Indians.

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Be it enacted by the People of the State of Maine, as follows:

Sec. 1. 22 MRSA § 4716-A is enacted to read:

§ 4716-A. Maine Indian Business Development Grant and Loan Fund

1. Creation of the fund. There is created a Maine Indian Business Development Grant and Loan Fund which shall be administered by the Commissioner of Indian Affairs to fund Maine reservation Indians in developing and operating private business on Maine Indian reservations. The Maine Indian Business Development Grant and Loan Fund shall consist of two parts, a grant fund and a loan fund:

A. There shall be allocated a sum of \$50,000 for grants to Maine Reservation Indians for the purpose of developing private Indian businesses on the reservations and \$50,000 for loans to Maine Reservation Indians for the purpose of expanding and improving private Indian businesses on the reservations.

B. The Maine Indian Business Development Grant and Loan Fund shall be a nonlapsing, revolving fund for carrying out this section. Moneys in the fund not needed currently to meet the obligations of this section shall remain in the fund as an on-going program.

2. Eligibility for grants and loans. The applicant shall be eligible for a grant or loan under this section if he meets all of the following criteria:

**A. Residency.** The applicant must be a member of a Maine Indian Tribe and a resident on the reservation of the tribe of which he is a member.

**B. Approval of tribal governor and council.** The applicant must receive the approval of the tribal governor and council in regard to the type of business planned.

**C. Credit rating.** The applicant must meet the credit rating established by the tribal governor and council, which shall be based upon criteria set up by the tribal governor and council.

**D. Age.** The applicant must be 18 years of age or older.

**3. Repayment of loan.** The recipient of a Maine Indian Business Development Loan must repay the loan at a rate of interest of not more than 3% per year in a period of not more than 15 years.

**4. Liability.** Repayment of the loan is the responsibility of the recipient of the loan. If the recipient changes his residence and leaves the reservation, the tribal governor and council shall be liable for repayment of the loan. The tribal governor and council may, with the approval of the Commissioner of Indian Affairs, sell the business for the unpaid balance to another member of the tribe who is a resident on the reservation and who shall then become liable for the repayment of the loan. If the recipient of the loan is unable to operate the business for any reason and cannot repay the loan, the tribal governor and council shall be liable for the repayment of the loan. The tribal governor and council may, with the approval of the Commissioner of Indian Affairs, sell the business to another member of the tribe who is a resident on the reservation and who shall become liable for the repayment of the loan.

**Sec. 2. Appropriation.** There is appropriated from the General Fund to the Department of Indian Affairs the sum of \$100,000 for the fiscal year ending June 30, 1976, to carry out the purposes of this Act. The breakdown shall be as follows:

	1975-76
INDIAN AFFAIRS, DEPARTMENT OF	
Maine Indian Business Development	
Grant and Loan Fund	
All Other	\$100,000

#### STATEMENT OF FACT

The intent of this bill is to provide employment opportunities for the Maine Indian population and to enhance their self-sufficiency by establishing a flexible program for economic development.