MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1480

H. P. 1194 House of Representatives, April 4,1977 On motion of Mr. Curran of South Portland, referred to Committee on State Government. Sent up for concurrence and 1,800 ordered printed.

EDWIN H. PERT, Clerk

Presented by Mr. Greenlaw of Stonington.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-SEVEN

AN ACT to Establish an Economic Development Policy for the State of Maine.

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

Sec. 1. 5 MRSA Pt. 16, c. 361, as last amended by PL 1975, c. 777, § 8, is repealed.

Sec. 2. 5 MRSA Pt. 16-A, c. 363 is enacted to read:

PART 16-A

MAINE STATE DEVELOPMENT ACT CHAPTER 363

STATE DEVELOPMENT OFFICE

§ 7011. Title

This Chapter shall be known and may be cited as the "Maine State Development Act."

§ 7012. Policy and Purpose

The Legislature finds that the economic welfare and growth of the State is dependent upon the fisheries, forest resources and agricultural industries of Maine.

The Legislature further finds that the State would greatly benefit from an economic policy and plan based upon the production, processing and marketing of the state's natural resources.

The Legislature further finds that many enterprises in the fisheries, forest resources, agricultural and craft industries can be helped substantially by providing these firms with technical and professional expertise.

The Legislature further finds that potential and existing business enterprise in Maine would greatly benefit from a central agency that provides firms with all the necessary regulatory applications to start or expand a business in the State and information for all.

The Legislature further declares it to be in the public interest for a central agency to correlate development interested groups in the State, to help coordinate development efforts in Maine and to coordinate development efforts among state agencies.

§ 7013. State Development Office

There is created and established the State Development Office to help coordinate and promote economic growth and development in Maine. The State Development Office shall be organized into the following divisions: The Division of Business Assistance, the Division of Promotion and the Division of Economic Analysis.

§ 7014. State Development Director

- 1. Director. The executive head of the State Development Office shall be the director and shall be appointed by the Governor, and shall hold office during the pleasure of the Governor. The director shall be paid a salary fixed by the Governor.
- 2. Qualifications. The director shall have demonstrated unusual accomplishment or possess a record of proven success in economic development or in related areas in the professional, business, or academic world.
- 3. Powers and duties. The director shall have the following powers and duties:
 - A. Appoint and remove the staff of the office and prescribe their duties as may be necessary to implement the purposes of this chapter. Professional employees authorized by this chapter shall serve at the pleasure of the director. All other employees shall be subject to the state civil service system.
 - B. The director may employ or engage such outside technical or professional consultants as may be necessary or appropriate to assist the office in carrying out its functions; and may enter into contracts with other boards, commissions, departments and divisions of the State or with the University of Maine to assist him in carrying out his duties under this chapter;
 - C. The director is authorized to accept for the State any federal funds appropriated under any federal law relating to the authorized programs of the office and to do such acts as are necessary for the purposes of carrying out such federal law; and to accept from any other agency of government, individual, group or corporation, such funds as may be available to carry out

this chapter, including such fees as the director may designate for books, booklets, brochures, pamphlets, films, photos, maps, exhibits and all like materials; and

- D. The director shall prepare a budget for the office.
- § 7015. Organization; State Development Office. The Divisions of the State Development Office shall be organized as follows.
- 1. Division of Business Assistance. The Division of Business Assistance shall be composed of a minimum of 4 professional employees as follows.
 - A. One employee shall be a business assistant specialist who shall have an advanced degree in business administration or shall have demonstrated unusual competence in business management or a related field.
 - B. One employee shall act as a liaison with public and private organizations concerned with economic development and with the private sector.
 - C. One employee shall be a financial analyst who shall have an advanced degree in finance or shall have demonstrated competence in the field of finance.
 - D. One employee shall be a marketing specialist who shall have an advanced degree in business administration or shall have demonstrated success in marketing.
- 2. Division of Promotion. The Division of Promotion shall be composed of a minimum of 2 professional employees as follows.
 - A. One professional employee shall be an industrial development specialist who shall have an advanced degree in business administration or a related field or shall have demonstrated successful experience in industrial development.
 - B. One professional employee of the division shall be a public relations specialist who shall have a background of at least 2 years of successful experience in public relations.
- 3. Division of Economic Analysis. The Division of Economic Analysis shall be composed of a minimum of 2 professional employees.
 - A. One professional employee shall be an economist with an advanced degree in economics and at least 2 years experience in economic development or a related field.
 - B. One professional employee shall be a business reasearch specialist who shall have an advanced degree in business administration or shall have demonstrated 2 years of successful experience in economic development or a related field.
- § 7016. Primary Duties; State Development Office

The primary responsibilities and duties of the State Development Office shall be:

- 1. Formulate a comprehensive plan. To formulate a comprehensive economic development plan for the State which shall include:
 - A. Identification of economic opportunities, particularly opportunities using Maine's natural resources, and the determination as to whether private or public leadership is required; and
 - B. Evaluation of the costs and benefits of these opportunities;
- 2. Provide assistance. To provide assistance to the appropriate agency or enterprise, whether public or private, to develop and implement a plan of action to take advantage of the opportunities delineated in subsection 1. The assistance shall include:
 - A. Compilation and maintenance of demographic and economic statistics necessary to informed economic decision making; and
 - B. Special studies that will benefit not only individual enterprises but the geographical area in which they may be located;
- 3. Provide assistance with regulatory forms. To provide assistance to business firms in obtaining and completing all regulatory forms required to conduct business in Maine;
- 4. Provide professional assistance. To provide professional-managerial assistance and upon demand and for a fee and cost basis to business firms in Maine:
- 5. Act as a liaison with the public and private sectors. To act as a liaison with business, labor, educational, and professional organizations concerned with economic development;
- 6. Act as a clearing house. To act as a clearing house for the availability of executives and executive-level positions in Maine business and industry;
- 7. Monitor performance. To monitor the performance of State-aided enterprises and state-sponsored enterprises; and
- 8. Promote Maine industry. To promote the State of Maine and its basic industries, particularly Maine's natural resource industries, in appropriate ways and in appropriate media, cooperating wherever possible with local, municipal and regional agencies and organizations, public or private. Such duties shall include:
 - A. Out-of-state advertising and promotion as appropriate; and
 - B. Periodic reports to the Governor, Legislature and the people of Maine on progress, problems and opportunities in economic development.
- § 7017. Secondary duties and responsibilities. The secondary duties and responsibilities of the State Development Office shall be implemented to the extent that they do not impede or that they promote the implementation of the primary responsibilities and duties of the State Development Office. The State Development Office may:

- 1. Attract new industry. Implement a program designed to attract new industry to the State;
- 2. Develop foreign markets. Implement a program to develop foreign markets for the products of Maine enterprise; and
- 3. Promote tourism. Implement a program designed to promote tourism and to attract tourists to the State, expand existing tourist activities within the State and help existing tourism-related businesses to attract tourists for their facilities. Such a tourism program may include coordination of activities between the public and private sectors, including assistance to local communities in their development efforts, extension of technical assistance to new and existing tourism-related industries seeking expansion within the State and utilization of trade missions, exhibits, brochures, technical assistance and expertise as may be necessary to develop and promote tourism and tourist activities within the State.
- § 7018. State Development and Promotion Advisory Council.
- I. Appointment. The Governor shall appoint a State Development and Promotion Advisory Council to advise the Governor and to actively assist the Director of the State Development Office in the initiation, implementation, review and evaluation of the programs and policies of the State Development Office.
- 2. Membership. The State Development and Promotion Advisory Council shall be appointed with the advice of the Director of the State Development Office, and shall consist of the Director of the State Development Office, a member of the House of Representatives selected by the Speaker of the House, a member of the Senate selected by the President of the Senate, who shall be members ex-officio, and one representative on the decision making level of each of the following: Industry, finance, labor, the fisheries industry, the forest products industry and agriculture. Terms of office shall not exceed 4 years, except that the initial term of the industrial representative shall be 2 years, the initial term of the financial representative shall be one year and the initial term of the labor representative shall be 3 years. The members shall serve without compensation but shall be reimbursed for necessary expenses incurred in the performance of their duties. The chairman of the council shall be elected annually by the council members.
- Sec. 3. Amendatory clause. Wherever the words "Commissioner of Commerce and Industry" appear in the Maine Revised Statutes they shall mean the "Director of the State Development Office."
- Sec. 4. Appropriation. There shall be appropriated from the General Fund to the State Development Office the sum of \$455,390 for the fiscal year 1977-1978. The breakdown shall be as follows:

1977-78

State Development Office

Personal Services All Other (13) \$230,390 225,000

TOTAL

\$455,390

STATEMENT OF FACT

The appropriation designated in this bill is less than \$7,000 more than the estimated appropriation in the Governor's budget.

The intent of this bill is to develop an economic development policy that is directed toward assisting Maine enterprise and developing economic opportunities that exist in the State. Presently, the State Development Office concentrates to a great extent upon attracting industry from outside Maine to inside the State. The degree of success of this policy has been limited.

Maine's economic development is dependent upon the relevance of the Maine economy to the national and international economies. Maine's assets that are very relevant to the national and international economies lie in its natural resources. By promoting and developing Maine's basic industries and developing new opportunities in the State's natural resources, Maine's economic growth, in the long run, will have much greater beneficial impact on Maine citizens than the present economic policy.