

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
2

3 ONE HUNDRED AND TWELFTH LEGISLATURE  
4

5 Legislative Document

No. 548

6  
7 H.P. 399

House of Representatives, February 13, 1985

8 Reference to the Committee on State Government suggested and ordered  
9 printed.

10 EDWIN H. PERT, Clerk

Presented by Representative Manning of Portland.

11  
12 STATE OF MAINE  
13

14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-FIVE  
16

17 AN ACT to Prohibit Financing of Commercial  
18 Fishing Vessels under all Financing  
19 Programs of the Finance Authority of  
20 Maine.  
21

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

24 Sec. 1. 10 MRSA §982, sub-§5, as enacted by PL  
25 1983, c. 519, §7, is amended to read:

26 5. Employment opportunities. To expand opportu-  
27 nities for full and part-time gainful employment and  
28 facilitate entry into farming, ~~fishing~~ and forestry  
29 in order to maintain adequate food and fiber produc-  
30 tion capabilities in the State and to improve the un-  
31 employment situation in the State and the demands on  
32 state services which arise because of unemployment  
33 and related problems;

34 Sec. 2. 10 MRSA §982, sub-§7, as enacted by PL  
35 1983, c. 519, §7, is amended to read:

1           7. Improved technical assistance. To provide a  
2 central source for credit information and other fi-  
3 nancial management training and services to farmers,  
4 ~~fishermen~~ and foresters to better enable them to ob-  
5 tain adequate financial assistance from existing  
6 sources and to provide similar technical assistance,  
7 research and service in marketing products of natural  
8 resource enterprises.

9           Sec. 3. 10 MRSA §983, sub-§14, as enacted by PL  
10 1983, c. 519, §7, is amended to read:

11           14. Natural resource enterprise. "Natural re-  
12 source enterprise" means a business endeavor engaged  
13 in production, harvesting, manufacturing, processing,  
14 storing, packaging or marketing of agricultural, for-  
15 estry, ~~fisheries~~ or related products, ~~including and~~  
16 aquaculture, but shall not include wholesale or re-  
17 tail food enterprises, except when an enterprise is  
18 owned by a producer and serves as an outlet for that  
19 producer's food product.

20           Sec. 4. 10 MRSA §987, sub-§9 is enacted to read:

21           9. Fishing vessels ineligible. The natural re-  
22 source project to be financed is not a fishing ves-  
23 sel.

24           Sec. 5. 10 MRSA §1001, sub-§6, as enacted by PL  
25 1983, c. 519, §7, is amended to read:

26           6. Eligible project. "Eligible project," as used  
27 in subchapter II, means:

28           A. Any lands, buildings, real estate improve-  
29 ments or machinery and equipment, with auxiliary  
30 real and personal property, used by an industrial  
31 enterprise, including, but not limited to, an in-  
32 dustrial enterprise constructing sea-going ships  
33 and vessels, or used by a manufacturing, ~~fishi~~ng  
34 or agricultural enterprise for research and de-  
35 velopment or for manufacturing, processing, as-  
36 sembling or preparing for market of raw materials  
37 or other products;

38           B. Any ocean pier or terminal used by an indus-  
39 trial, manufacturing, fishing or agricultural en-

1           terprise for manufacturing, processing, assem-  
2           bling, storing, shipping, vessel repairing or  
3           preparing for market raw materials or other  
4           products;

5           C. Any building, real estate improvement, land  
6           or any interest in land, machinery or equipment  
7           used or usable in connection with public recrea-  
8           tional facilities, consisting of a combination of  
9           such improvements as approach roads, parking fa-  
10          cilities, marinas, swimming pools, golf courses,  
11          campgrounds, picnic areas, hotels, motels,  
12          lodges, ski resorts, arenas or similar recrea-  
13          tional development for which a comprehensive plan  
14          has been prepared; and

15          D. Any fishing vessel documented or to be  
16          documented as a fishing vessel under laws of the  
17          United States; any fishing vessel registered or  
18          to be registered under a state's law which is de-  
19          signed to be used for catching, processing or  
20          transporting fish and any vessel outfitted for  
21          that activity; and

22          E. Any land designed as an industrial park, pro-  
23          vided that the municipality in which the park is  
24          to be located has agreed to provide utilities,  
25          access, site preparation, market efforts and fi-  
26          nancial support deemed appropriate by the author-  
27          ity, and further provided that reasonable assur-  
28          ance is given to the authority that the project  
29          can gain approval for environmental permits and  
30          licenses and that the land shall be deeded to a  
31          local development corporation.

32          Sec. 6. 10 MRSA §1001, sub-§7, as repealed and  
33          replaced by PL 1983, c. 862, §30, is amended to  
34          read:

35          7. Eligible project, subchapters III and IV.  
36          "Eligible project," as used in subchapters III and IV  
37          means any type of project for which the proceeds of  
38          the revenue obligation securities may be expended  
39          without causing the interest on the securities to  
40          lose its exemption from federal income taxation under  
41          the United States Internal Revenue Code, Section 103  
42          and as provided in section 1041, subsection 1 and  
43          section 1061, subsection 1, except:

- 1           A. Retail stores;
- 2           B. Professional office buildings;
- 3           C. Office building or space of less than 5,000  
4 square feet and, at the time of application, as  
5 determined according to rules adopted by the au-  
6 thority:
- 7           (1) Less than 20% of the employees in the  
8 existing office building represent new jobs  
9 over a 3-year period immediately prior to  
10 the time of application;
- 11           (2) Less than 20% of the employees who oc-  
12 cupy the new office building represent new  
13 jobs within the first year following occupa-  
14 tion of the new office building; or
- 15           (3) That the increase in the number of new  
16 jobs in the municipality represented by the  
17 occupants in the proposed office building is  
18 not expected to be a significant increase,  
19 as determined by the authority, and would  
20 not make an important contribution to the  
21 economy of the municipality for which the  
22 project is proposed-;
- 23           D. Any office building or space proposed by an  
24 applicant who, as determined by the authority is  
25 able to compete successfully in the normal com-  
26 mercial lending market and to pay the rates which  
27 private financial institutions are charging for  
28 similar projects; and
- 29           E. Any office building or space proposed by an  
30 applicant who or which does not meet the require-  
31 ments prescribed in rules by the authority per-  
32 taining to individual net worth, affect of the  
33 proposed project on similar, existing projects,  
34 affect of the proposed project on the general ar-  
35 ea in which it is located and any other standards  
36 deemed necessary by the authority to determine  
37 the potential affect of the proposed project and  
38 the ability of the applicant to undertake the  
39 project with resources of conventional financing  
40 institutions-; and

1           F. Any commercial fishing vessel or any vessel  
2           documented to be a fishing vessel.

3           No approval may be granted under this chapter for any  
4           eligible project whose primary use is the operation  
5           of one or more retail stores, unless the application  
6           for approval thereof under prior section 864 or under  
7           prior section 1043 or 1063 or under prior Title 30,  
8           section 5328 was received by the Maine Guarantee Au-  
9           thority prior to October 1, 1981; or except in the  
10          case of the reconstruction of an existing building  
11          project as defined in subsection 26, and satisfying  
12          the criteria set forth in section 1063, subsection 2,  
13          paragraph G.

14          Sec. 7. 10 MRSA §1001, sub-§8, as enacted by PL  
15          1983, c. 519, §7, is amended to read:

16          8. Eligible project, subchapters V and VI. "El-  
17          igible project," as used in subchapters V and VI,  
18          means any business or recreational facilities or any  
19          lands, buildings, real estate improvements or machin-  
20          ery and equipment, merchandise and stock, with auxil-  
21          iary real and personal property, located within the  
22          State, used by a commercial, industrial, manufactur-  
23          ing, mining, ~~fishing~~ or agricultural enterprise,  
24          sales and service, or both, the manufacturing, pro-  
25          cessing, assembling or preparing for market of raw  
26          materials or other products, or for the purposes of  
27          providing working capital or research and development  
28          for those enterprises.

29          Sec. 8. 10 MRSA §1027, sub-§1, ¶A, as enacted by  
30          PL 1981, c. 476, §2, is amended to read:

31          A. For industrial, manufacturing, ~~fishing fish~~  
32          processing or agricultural projects, \$7,000,000  
33          for any one project, and not exceed:

34                   (1) For real estate related projects, 90%  
35                   of the cost of the project; or

36                   (2) For real estate projects in the form of  
37                   documented fishing vessels or fishing ves-  
38                   sels registered under state law, 80% of the  
39                   cost of the project; ~~or~~

1 (3) For machinery and equipment, 75% of the  
2 cost of this project; and

3 STATEMENT OF FACT

4 The purpose of this bill is to prohibit the fi-  
5 nancing of fishing vessels under the programs admin-  
6 istered by the Finance Authority of Maine. Present-  
7 ly, the Finance Authority of Maine may finance fish-  
8 ing vessels that are constructed out-of-state and  
9 that operate from base ports in other states. The  
10 mobility of fishing vessels allows owners of these  
11 vessels to operate from out-of-state base ports after  
12 receiving assistance from the Finance Authority of  
13 Maine. The State uses limited state financial re-  
14 sources to assist fishing vessel ventures that bene-  
15 fit other states.

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