MAINE STATE LEGISLATURE

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(EMERGENCY) FIRST REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 815

S.P. 288

In Senate, March 19, 1987

Reference to the Committee on Appropriations and Financial Affairs suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate Presented by President PRAY of Penobscot. Cosponsored by Speaker MARTIN of Eagle Lake, Senator DUTREMBLE of York, Representative GWADOSKY of Fairfield.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-SEVEN

2 3 4 5	Organizations in Labor Market Areas Facing Sudden and Severe Economic Dislocation.		
6	Emergency preamble. Whereas, Acts of the Legis-		
7	lature do not become effective until 90 days after		
8	adjournment unless enacted as emergencies; and		
9	Whereas, it is state policy to address the prob-		
10	lems faced by labor market areas within the State		
11	that are facing sudden and severe economic disloca-		
12	tion as a result of major plant closings or other in-		
13	dustrial restructuring; and		
14 15	Whereas, such areas are already facing severe strain on limited municipal budgets, making direct		

- support of local development corporations a difficult burden; and
- Whereas, the establishment of a local economic development corporation for the purpose of attracting new jobs and investment to an area and diversifying an area's economy is a vital step in responding to sudden and severe economic dislocation conditions; and
- 9 Whereas, many areas of the State are facing plant 10 closings and major work force reductions in the imme-11 diate future; and
- Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore.
- 18 Be it enacted by the People of the State of Maine as 19 follows:
- 20 Sec. 1. 5 MRSA §1507, first ¶, as amended by PL 1985, c. 759, §1 and c. 814, Pt. E, §1, is further amended to read:
- 23 The Governor may allocate from the State 24 Account amounts not to exceed in total the sum 25 of \$600,000 in any fiscal year, except that in the 26 fiscal year ending June 30, 1987, the amount shall not exceed \$675,000. The Governor may allocate from 27 28 such account amounts not to exceed in total the sum 29 of \$300,000 in any fiscal year in accordance with the purposes specified in subsections 1, 2, 3, 4 and, 4-A and 5-B and an amount not to exceed \$250,000 in any 30 31 fiscal year, except that in the fiscal year ending 32 33 June 30, 1987, the amount shall not exceed \$325,000 accordance with the purposes specified in subsec-34
- 36 Sec. 2. 5 MRSA §1507, sub-§5-B is enacted to 37 read:

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tion 5-A.

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	1	5-B. Sudden and severe economic dislocation.
ر الر	2	The Governor may allocate funds from the account not
	3	to exceed \$75,000 in any fiscal year to be paid to qualified local economic development corporations
	4	qualified local economic development corporations
	5	serving labor market areas, as defined by the Depart-
	6	ment of Labor, Division of Economic Analysis and Re-
-)	7	search, in which it is determined that a sudden and
	8	severe economic dislocation has occurred or is
•	9	threatened. A sudden or severe economic dislocation
	10	is defined as a major industrial plant closing or
	11	work force reduction resulting in a loss of 30% of
	12	the area's industrial jobs. Allocations for this
	13 14	purpose may be made from this fund only upon written
	15	request of the Commissioner of Labor or the Director of the State Development Office after consultation
	16	with the State Budget Officer. Allocations shall not
	17	exceed \$25,000 in any fiscal year to any one labor
	18	market area.
		marine area.
	19	Sec. 3. Appropriation. The following funds are
	20	appropriated from the General Fund to carry out the
	21	purposes of this Act.
	22	<u>1987-88</u> <u>1988-89</u>
	23	State Contingent Account \$75,000 \$75,000
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and the second	24	Emergency clause. In view of the emergency cited
	25	in the preamble, this Act shall take effect when ap-
	26	proved.
	27	STATEMENT OF FACT
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	28	The purpose of this bill is reflected in the
	. 29	emergency preamble.