

MAINE STATE LEGISLATURE

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R. of S.

1

L.D. 915

2

(Filing No. S- 294)

3

STATE OF MAINE

4

SENATE

5

113TH LEGISLATURE

6

FIRST REGULAR SESSION

7

SENATE AMENDMENT " A" to S.P. 313, L.D. 915,
8 Bill, "AN ACT to Establish the Maine Business Oppor-
9 tunity and Job Development Program."

10

Amend the bill by striking out all of the title
11 and inserting in its place the following:

12

**AN ACT to Establish the Maine
13 Job Development Program.**

14

Further amend the bill in section 1 in that part
15 designated "§1038." in the first line (page 2, line 2
16 in L.D.) by striking out the following: "Business Op-
17 portunity and"

18

Further amend the bill in section 1 in that part
19 designated "§1038." in subsection 1 in the 3rd line
20 (page 2, line 6 in L.D.) by striking out the follow-
21 ing: "Business Opportunity and"

22

Further amend the bill in section 1 by striking
23 all of that part designated "§1039. and inserting in
24 its place the following:

25

'§1039. Maine Job Development Program

26

1. Operation. Upon appropriation of money for
27 the Maine Job Development Fund created by section
28 1038, the authority shall operate the Maine Job De-
29 velopment Program. This program shall be operated in
30 conjunction with or as a part of one or more other
31 programs of the authority. This program shall be ad-
32 ministered in cooperation with the State Development
33 Office.

34

2. Permitted uses of fund. Money in the fund
35 may be applied to carry out the powers of the author-

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1 ity, including:

2 A. Making loans to businesses eligible for as-
3 sistance under this subchapter with such collat-
4 eral as the authority may determine to be ade-
5 quate; and

6 B. Providing financial assistance to businesses
7 eligible for assistance under this subchapter.
8 The financial assistance may be used to finance
9 the production of new products and to help fi-
10 nance innovations, inventions and new processes
11 which may lead to the production of new products
12 or enable the applicant to significantly reduce
13 production costs and increase market share for
14 the product without reducing existing employment
15 levels, provided that the authority shall have no
16 liability to any claimant for claims arising di-
17 rectly or indirectly from the use or operation of
18 the product or process.

19 3. Limitations. Financial assistance under this
20 subchapter shall not exceed \$250,000 to any one busi-
21 ness, or \$150,000 in the case of businesses assisted
22 under subsection 2, paragraph B, nor may it exceed
23 50% of the total project costs as approved by the au-
24 thority. At a minimum, 10% of the total project
25 costs must be equity provided by the recipient of the
26 loan or financial assistance.

27 4. Criteria. Program criteria and procedures
28 shall be established by rulemaking pursuant to Title
29 5, chapter 375, suchapter II, and shall include lim-
30 its on the amounts of financial assistance provided
31 from the funds to any one business and requirements
32 for sources of financial assistance in addition to
33 the fund. The program shall be directed at
34 small-sized and medium-sized businesses, as defined
35 by the authority. The authority shall consult with
36 the State Development Office in establishing incen-
37 tives to:

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- 1 A. Stimulate investment in geographical areas of
2 the State deemed economically distressed by the
3 State Development Office;
- 4 B. Stimulate investment in businesses in econom-
5 ically distressed industries in the State as
6 identified by the State Development Office;
- 7 C. Provide benefits, in addition to those pro-
8 vided to a business, to the geographical area in
9 which the business is located or to a business
10 sector;
- 11 D. Solve problems widespread in particular busi-
12 ness sectors;
- 13 E. Develop quality full-time jobs;
- 14 F. Minimize adverse environmental impact;
- 15 G. Provide for employee safety;
- 16 H. Make new or additional jobs available to
17 Maine citizens, including economically disadvan-
18 tagged persons;
- 19 I. Utilize a significant amount of financial as-
20 sistance in addition to that provided from the
21 fund;
- 22 J. Provide for training or retraining of dis-
23 placed, dislocated or unskilled persons, in coop-
24 eration with the appropriate state agencies; and
- 25 K. Develop new products, technology, inventions
26 or production processes which can help increase
27 exports of Maine products and services out of the
28 State.
- 29 With respect to any loan made under this subchapter,
30 the authority, subject to rules promulgated under
31 this subchapter, shall give preferred rates and terms

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1 to businesses meeting the criteria of this section
2 based on the extent to which they meet these crite-
3 ria.

4 5. Assistance to municipalities to generate eco-
5 nomi c growth. One million dollars from the proceeds
6 of the sale of bonds will be provided to the State
7 Development Office to provide municipalities with the
8 resources for a program to generate jobs and business
9 development. Potential uses of this money shall in-
10 clude, but not be limited to, infrastructure develop-
11 ment, planning and technical assistance, marketing
12 and other types of capacity building. Money availa-
13 ble for the purpose of this subsection shall not be
14 used to provide financial assistance to businesses.

15 6. Recovery. To the extent permitted by law,
16 and except for financial assistance provided pursuant
17 to subsection 2, paragraph B, the authority, by
18 agreement, shall require repayment of amounts by any
19 business on which behalf money from the fund has been
20 applied or pledged to carry out this subchapter and,
21 by agreement, shall require interest or other premi-
22 um on those amounts at such rate as the authority may
23 determine, and shall require such collateral to se-
24 cure repayment as may be reasonably available, in-
25 cluding junior liens as appropriate. The recovery
26 may be deferred until such time as the authority
27 shall determine.

28 7. Report. The authority shall file and present
29 a report to the joint standing committee of the Leg-
30 islature having jurisdiction over economic develop-
31 ment matters showing the balance of the Job Develop-
32 ment Fund, the status of all outstanding direct and
33 insured loans and a report on all other program ac-
34 tivities as part of the annual report required by
35 section 974.'

36 Further amend the bill in section 2 in the 2nd
37 line (page 5, line 22 in L.D.) by striking out the
38 following: "Business Opportunity and" and in the 6th

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1 line (page 5, line 26 in L.D.) by striking out the
2 following: "\$5,000,000" and inserting in its place
3 the following: '\$6,000,000' and in the 7th and 8th
4 lines (page 5, lines 27 and 28 in L.D.) by striking
5 out the following: "Business Opportunity and"

6 Further amend the bill in section 11 by striking
7 out all of the question and inserting in its place
8 the following:

9 "Shall the State create the Maine Job De-
10 velopment Program to be funded with a
11 \$6,000,000 bond issue?"

12 STATEMENT OF FACT

13 This amendment makes technical changes to more
14 clearly define the process by which the Job Develop-
15 ment Program will work. In addition, this amendment
16 increases the proposed bond issue from \$5,000,000 to
17 \$6,000,000 in order to provide assistance to munici-
18 palities to build their capacity to generate economic
19 growth and jobs through such projects as
20 infrastructure improvements, planning, technical as-
21 sistance, marketing and other activities.

22

3681061887

23 (Sen. Andrews)

24 SPONSORED BY: 

25 COUNTY: Cumberland

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