

# MAINE STATE LEGISLATURE

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SECOND REGULAR SESSION

ONE HUNDRED AND THIRTEENTH LEGISLATURE

Legislative Document

No. 2364

S.P. 909

In Senate, February 25, 1988

Approved for Introduction by a Majority of the Legislative Council pursuant to Joint Rule 26.

Reference to the Committee on Economic Development suggested and ordered printed.

JOY J. O'BRIEN, Secretary of the Senate

Presented by Senator KANY of Kennebec.

Cosponsored by Representative CARTER of Winslow, Representative PRIEST of Brunswick, Representative LACROIX of Oakland.

STATE OF MAINE

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

1           AN ACT to Enable Additional Agencies to  
2           Participate under the Finance Authority of  
3           Maine Loan Program.  
4

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

7           Sec. 1.    10 MRSA §1100-N, sub-§1, as amended by  
8           PL 1985, c. 714, §39, is further amended to read:

1 1. Contracts. The authority shall contract  
2 with each community action agency who a community  
3 development corporation which seeks to participate in  
4 this program in order to organize a job-start program  
5 within the region served by the community action  
6 agency that community development corporation. The  
7 contract shall provide as a minimum;

8 A. Each community action agency That each  
9 community development corporation shall designate  
10 a coordinator who shall be responsible for the  
11 job-start program in that region;

12 B. The board of directors of a community action  
13 agency community development corporation shall  
14 appoint a job-start advisory board which may  
15 consist of a subcommittee of the board of  
16 directors to review and make recommendations  
17 concerning loan applications and offer other  
18 advice to small businesses, which board shall  
19 consist of 5 members who represent low income  
20 people and representatives knowledgeable of  
21 business and financial matters. Members of the  
22 job-start advisory board shall serve for a 2-year  
23 term and may be reappointed to successive terms;

24 C. The community action agency community  
25 development corporation shall be responsible for  
26 at least 50% of the administrative costs of  
27 implementing the job-start program, which costs  
28 may be derived from direct financial support or  
29 in-kind services, or both; and

30 D. The community action agency community  
31 development corporation shall involve existing  
32 small business technical assistance and counseling  
33 programs in their implementation of the job-start  
34 program and shall, to the maximum extent feasible,  
35 contract or arrange for in-kind donation of  
36 technical and counseling services to assist  
37 job-start loan applicants.

38 Sec. 2. 10 MRSA §1100-N, sub-§2, ¶G, as enacted  
39 by PL 1983, c. 856, §4, is amended to read:

1 G. Loan funds shall be made available by the  
2 authority for loan recommendations by community  
3 action agencies community development  
4 corporations on the basis of a formula that takes  
5 into consideration both the population served by  
6 the agency and the economic conditions of the  
7 region, as evidenced by unemployment statistics  
8 and per capita income; and

9

STATEMENT OF FACT

10 This bill extends the Finance Authority of Maine  
11 Loan Program to agencies other than the community  
12 action program agencies, for example, the regional  
13 planning agencies, and will increase the availability  
14 of such loans to small businesses.

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