

MAINE STATE LEGISLATURE

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
116TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 399, L.D. 512, Bill, "An Act to Centralize Licensing for Retail Businesses"

Amend the bill by striking out the title and substituting the following:

'An Act to Centralize Further the Permitting Process for Retail Businesses and to Allow Some Municipalities to Act as Central Permitting Agents'

Further amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'Sec. 1. 5 MRSA §13063, sub-§§5 to 8 are enacted to read:

5. Retail business permitting program. By July 1, 1994, the director shall establish and administer a central permitting program for all retail businesses selling directly to the final consumer. The director shall:

A. Create a consolidated permit procedure that allows each business to check on a cover sheet all state permits for which it is applying and to receive all permit applications from a centralized office;

B. Total all permit fees due from a business, collect those fees on a semiannual basis, with 1/2 of the total fees due by January 1st and 1/2 of the total fees due by July 1st, and distribute the fees to the appropriate funds or permitting entities;

C. Forward a copy of the appropriate permit application to any commission, department, municipality or other agency that has responsibility for permitting that retail business;

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2 D. Develop a tracking system to track permits issued by
4 state agencies. This system must at a minimum include
6 information on the applicant, agency involvement, time
8 elapsed or expended on the permit and action taken;

10 E. Coordinate and supervise the permitting process to
12 ensure that all involved state agencies process the
14 applications and complete any necessary inspections in a
16 timely fashion; and

18 F. Respond to inquiries from the business community and
20 requests for information from the individual permitting
22 entities, including reports on the status of an application.

24 A retail business is not required to participate in the retail
26 business permitting program.

28 6. Municipal permitting agents. By January 1, 1995, the
30 director shall establish a municipal centralized permitting
32 program.

34 A. Upon application by the municipal officers of a
36 municipality, the director shall appoint the municipality as
38 a centralized permitting agent to provide all permits for
40 retail businesses and provide inspections for retail
42 businesses with less than 10,000 square feet of retail
44 space. Retail businesses shall pay the municipality an
46 additional fee of \$4 for each permit included in the
48 consolidated application up to a limit of \$40.
50 Municipalities may retain 1/2 of all fees collected for
permits requiring inspection. The remaining 1/2 of those
permit fees and all fees for permits not requiring
inspection must be remitted to the department, which shall
remit the fees to the issuing agency. A municipality with
less than 4,000 population may contract with an appointed
municipality for centralized permitting and inspection
services. A retailer is not required to participate in the
municipal central permitting program.

B. The director shall make permitting and inspection
training programs available to a municipality seeking
appointment or appointed as a central permitting agent. The
municipality shall pay a fee of \$25 for each person
receiving permitting training and \$100 for each person
receiving inspection training.

C. A business that seeks to determine why it has not
received its permits must be directed to the municipal
office where the application was filed. That office shall
bring the matter to the attention of the department, which
shall contact the appropriate issuing agency.

2 D. A joint standing committee of the Legislature that
3 recommends legislation that involves a new permit for retail
4 businesses shall indicate in the legislation whether the
5 permit is to be included in the municipal centralized
6 permitting program.

8 During a review under Title 3, chapter 33 of a permit
9 issuing agency, the joint standing committee having
10 responsibility for the review shall determine whether any of
11 the permits issued by that agency should be included in the
12 municipal centralized permitting program.

14 The director may extend by rulemaking, but may not curtail, the
15 department's centralized permitting program or the municipal
16 centralized permitting program.

18 7. Funding. To fund the programs or procedures provided
19 for in subsections 3, 4 and 5, each state agency shall transfer
20 to the department, from funds appropriated for that agency's
21 permitting programs, its percentage share of the cost of the
22 department's program, which must be equal to the agency's
23 percentage share of the total permitting fees collected by all
24 state agencies. The issuing agency shall cut issuing program
25 expenses in order to provide funds for this transferral. The
26 issuing agency may not use General Fund money to replace the
27 transferred funds.

28 8. Goal and evaluation. It is the goal of the programs
29 established in subsections 5 and 6 for retail businesses to
30 obtain permits more quickly at no additional cost to the
31 taxpayers of the State. The director shall devise and implement
32 a program of data collection and analysis that allows a
33 determination as to whether these goals have been met. This
34 program must include the collection of benchmark data before the
35 initiation of the programs and an enumeration of the number of
36 municipalities participating in the program. In analyzing costs,
37 the director shall amortize the costs of computers or computer
38 programs necessary for the program. By January 1, 1996 and every
39 2 years after that date, the director shall prepare and submit a
40 report to the joint standing committee of the Legislature having
41 jurisdiction over business legislation matters based on this data
42 and a recommendation as to why the retail business program and
43 the municipal centralized permitting program should not be
44 expanded to other sizes or types of businesses and to smaller
45 municipalities.

48 Sec. 2. Calculation and transfer. Notwithstanding the Maine
49 Revised Statutes, Title 5, section 1585, the State Budget Officer
50 is authorized to calculate the amount of savings realized

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by the application of Title 5, section 13063, subsection 7 that applies against each account. The State Budget Officer shall cause the calculated amount to be transferred from each account to General Fund undedicated revenue.

Sec. 3. Appropriation. The following funds are appropriated from the General Fund to carry out the purposes of this Act.

	1993-94	1994-95
ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF		
Office of Business Development		
Positions	(2.0)	(2.0)
Personal Services	\$12,702	\$75,496
All Other	12,734	37,905
Capital Expenditures	8,500	0
Provides for the appropriation of funds for one Development Project Officer position, one Clerk Typist III position and general operating expenses required to establish a centralized licensing program for retail businesses.		
DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT		
TOTAL	<u>\$33,936</u>	<u>\$113,401</u>

FISCAL NOTE

	1993-94	1994-95
APPROPRIATIONS/ALLOCATIONS		
General Fund	\$33,936	\$113,401

The Department of Economic and Community Development will require General Fund appropriations of \$33,936 and \$113,401 in fiscal years 1993-94 and 1994-95, respectively, to establish and administer a centralized licensing process for retail businesses.

2 This bill requires that other state licensing agencies
3 transfer from their appropriations and allocations the amounts
4 required by the Department of Economic and Community Development
5 to fund the centralized program. The State Budget Officer is
6 authorized to calculate the amount of the savings that applies to
7 each licensing agency and provide for the transfers to General
8 Fund undedicated revenue. The amounts of additional General Fund
9 revenues can not be estimated at this time.'

10
11
12 **STATEMENT OF FACT**

13
14 This amendment makes the following changes.

15
16 1. The bill requires the Department of Professional and
17 Financial Regulation to establish a one-stop licensing process
18 for retail businesses and to ensure that licenses and inspections
19 are performed promptly by the responsible agencies. The
20 amendment places this responsibility with the existing Business
21 Assistance Referral and Facilitation Program of the Office of
22 Business Development within the Department of Economic and
23 Community Development. The amendment requires the permit-issuing
24 agencies to fund these activities within that department from
25 funds previously used to perform these services within the
26 issuing agency. The amendment prohibits the issuing agency from
27 replacing these funds with money from the General Fund.

28
29 2. The bill allows any municipality to act as a central
30 permitting agent for retail businesses of less than 10,000 square
31 feet, with the municipality and the issuing agency to share the
32 fees equally. The amendment allows permitting of any size retail
33 business but restricts inspections to those under 10,000 square
34 feet. The amendment requires the applicant to pay an additional
35 \$4 fee for each permit obtained through the municipal centralized
36 permitting program. For those permits requiring an inspection,
37 the permitting fees are shared evenly between the municipality
38 and the issuing agency. The Department of Economic and Community
39 Development is required to develop a training program for
40 municipal officers and shall charge a \$25 fee for each person for
41 the permitting instruction and \$100 for each person for the
42 inspection instruction. Participation in the municipal
43 centralized permitting program is not mandatory.

44
45 3. The amendment eliminates provisions that would reduce
46 permit and license fees by 10% for all retail businesses with
47 under 10,000 square feet of floor space and that would allow
48 retailers to retain 1/2 of 1% of the sales tax on the first
49 \$1,000,000 of sales.
50

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2 4. The amendment allows the Department of Economic and
Community Development to expand the one-stop permitting program
4 and the municipal centralized permitting program at its
discretion. The amendment requires that the department evaluate
6 the program and submit a report concerning its progress to the
Joint Standing Committee on Business Legislation. The amendment
8 requires the Joint Standing Committee on Audit and Program
Review, at the time of conducting its review of an agency, to
10 recommend whether any of the agency's permits should be included
in the centralized permitting program. The amendment also
12 requires a legislative committee recommending any new permit to
include in its legislation an indication of whether the new
14 permit should be included in the municipal centralized permitting
program.

16 5. The amendment adds an appropriation section and a fiscal
note.

18

Reported by the Majority of the Committee on Business Legislation
Reproduced and distributed under the direction of the Clerk of the
House
5/19/93 (Filing No. H-367)