

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

Legislative Document

No. 1556

S.P. 530

In Senate, June 8, 1993

**An Act to Implement Certain Recommendations of the Economic
Growth Council.**

(EMERGENCY)

Reported by Senator PINGREE of Knox for the Joint Standing Committee on Housing and
Economic Development pursuant to Joint Order S.P. 522.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the Governor, President of the Senate and Speaker of the House of Representatives established the Economic Growth Council to address the need for a long-term economic plan for the State; and

Whereas, there is a pressing need for continued attention to the economic climate in the State, especially the areas of defense conversion and long-term planning; 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,

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

PART A

Sec. A-1. 10 MRSA §§929-A and 929-B are enacted to read:

§929-A. Maine Economic Growth Council

1. The Maine Economic Growth Council; establishment. The Maine Economic Growth Council, referred to in this section and section 929-B as "the council," is established to develop, maintain and evaluate a long-term economic plan for the State.

2. Membership. The council consists of 18 members. The Governor, President of the Senate and Speaker of the House shall jointly appoint the members, 2 of whom shall serve as cochairs of the council. Appointments must be as follows:

A. Eight members must represent the business community;

B. Two members must represent institutions of higher education;

C. Four members must be members of the joint standing committee of the Legislature having jurisdiction over economic development; and

D. Four additional members, one of whom must represent a labor organization and one of whom must represent an environmental organization.

3. Appointments. The initial appointments must be staggered: Six of the initial appointees serve for one year, 6

2 serve for 2 years and 4 serve for 3 years. The 2 members chosen
3 as cochairst of the council serve for a 3-year term. An appointee
4 may not serve more than 3 years, except those persons appointed
5 initially for terms of one and 2 years. The initial members must
6 be appointed by August 1, 1993.

7 4. Quorum. Ten members of the council constitute a quorum.

8
9 5. Compensation. Members of the council are not entitled
10 to compensation for their services, except for those members of
11 the Legislature appointed to the council who receive the
12 legislative per diem.

13 **§929-B. Powers and duties**

14
15 1. Develop a long-term plan for the State's economy. The
16 council shall:

17
18 A. Develop and recommend a long-range plan, goals,
19 benchmarks and alternative strategies for a sustainable
20 Maine economy;

21
22 B. Monitor progress in accomplishing the plan's vision,
23 goals and benchmarks;

24
25 C. Recommend changes in the plan to reflect the dynamics of
26 the international, national and the state economy;

27
28 2. Process. The council shall use the following guidelines
29 when developing the plan:

30
31 A. The process should be long-term and continuous with a
32 5-to-7-year planning horizon. It must include clear
33 authority for monitoring and evaluating on a regular basis;

34
35 B. The process should have a strategic focus and measurable
36 outcomes, with clear goal-setting and performance indicators;

37
38 C. The council may appoint working groups and advisory
39 committees as necessary, representing key concerned parties
40 to accomplish the goals outlined in this section;

41
42 D. The process should be statewide in scope, using
43 available technology to ensure that all areas of the State
44 have accessibility to the work of the council; and

45
46 E. Preparation and maintenance of the plan should be
47 through a public and private partnership approach that is
48 objective and nonpartisan.

2 3. Contents. The plan developed by the council must
3 consist of:

4 A. A plan for the State's economy based on economic
5 opportunity to all citizens and a shared commitment to
6 sustainable development that recognizes that new forms of
7 cooperation among government, business and society are
8 required to achieve the goals;

10 B. Benchmarks for accomplishing the plan that are specific,
11 quantifiable performance indicators against which each of
12 the goals that have been set forth to accomplish the vision
13 can be measured;

14 C. Alternative strategies to accomplish the benchmarks
15 based upon the best practices in Maine, other states and
16 other countries;

17 D. The plan should be for the overall economy, broadly
18 defined and not limited to what is traditionally termed
19 "economic development." The plan should include
20 consideration of education and training, redeployment of
21 state resources, investments in science and technology and
22 infrastructure; and

23 E. The plan should also include:

24 (1) The types of industries and jobs with significant
25 growth potential in the State;

26 (2) The State's evolving industrial base;

27 (3) The dynamic national and international markets;

28 (4) Existing efforts to convert military economies to
29 civilian economies; and

30 (5) Other relevant studies and evaluations in the
31 private and public sector dealing with the long-term
32 economic growth of the State.

33 4. Fiscal agent. The Maine Development Foundation shall
34 serve as the council's fiscal agent providing regular financial
35 reports to the council on funds received and expended and an
36 annual audit. The council shall seek funds and accept gifts, if
37 necessary, to support the council's objectives.

38 5. Staff support. The council may determine the appropriate
39 staffing arrangements and requirements for carrying out the
40 purposes of this section.

2 A. Provide staff, research and related administrative and
4 program support to the Task Force on Defense Realignment and
the Economy;

6 B. Serve as a clearinghouse for any firm, community or
8 worker concerning economic conversion or defense dislocation
assistance;

10 C. Coordinate all interagency state economic conversion and
12 diversification resources, activities and programs;

14 D. Provide necessary support and coordination of
16 established and future regional conversion task force
efforts in Maine;

18 E. Monitor shifts in federal defense spending trends and
20 related impacts on the State's major defense-dependent firms
and military installations;

22 F. Pursue federal economic conversion assistance programs;

24 G. Serve as a liaison and legislative advocate to the
26 Governor, Legislature and congressional delegation on
conversion activities and related matters; and

28 H. Develop a public awareness program on the State's
30 defense dependency, conversion efforts and related
assistance programs.

32 4. Annual report. The Office of Economic Conversion and
34 the Task Force on Defense Realignment and the Economy shall
36 jointly prepare and submit an annual report to the Governor and
the Legislature and shall present a report of their activities to
the joint standing committee of the Legislature having
jurisdiction over economic development matters no later than
April 1st.

38 5. Sunset. Authorization for the Office of Economic
40 Conversion expires on July 1, 1995. The office shall provide its
42 recommendations to the Governor and the joint standing committee
44 of the Legislature having jurisdiction over economic development
matters concerning the need for extending authorization of the
office.

46 Sec. B-2. Appropriation. The following funds are appropriated
48 from the General Fund to carry out the purposes of this Part.

		1993-94	1994-95
2	EXECUTIVE DEPARTMENT		
4	Office of Economic Conversion		
6			
8	Positions - Legislative Count	(1.0)	(1.0)
	Personal Services	\$38,620	\$40,500
	All Other	33,380	31,500
10			
12	Provides for the		
14	appropriation of funds for a		
16	Development Project Officer		
18	position and related general		
	operating expenses required		
	to support the Office of		
	Economic Conversion.		
20	EXECUTIVE DEPARTMENT		
	TOTAL	\$72,000	\$72,000

PART C

Sec. C-1. 35-A MRSA §7101, as enacted by PL 1987, c. 141, Pt. A, §6, is repealed and the following enacted in its place:

§7101. Telecommunications policy

1. Universal service. The Legislature declares and finds that the 50-year effort to bring affordable, universally available telephone service to the public has served the State well; universal telephone service has contributed to the State's economic, social and political integration and development; the public benefits from universal telephone service because each telephone subscriber receives a more valuable service when virtually anyone else in the State can be called; and a significant rate increase may threaten universal service by forcing some Maine people to discontinue their telephone service. It is the policy of the State that telephone service must continue to be universally available, especially to the poor, at affordable rates.

2. Economic development. The Legislature further declares and finds that a modern state-of-the-art telecommunications network is essential for the economic health and vitality of the State and for improvement in the quality of life for all Maine citizens. Therefore, it is the goal of the State that all Maine's businesses and citizens should have affordable access to an integrated telecommunication infrastructure capable of providing voice, data and image-based services. The State shall consider policies that:

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A. Encourage economic development;

B. Employ methods of regulation that encourage the development and deployment of new technologies; and

C. Encourage acceptable service applications that support economic development initiatives or otherwise improve the well-being of Maine citizens.

3. Report. The commission shall provide the Legislature with a report on the status of the telecommunications industry in Maine no later than December 31, 1994. The report must include the following:

A. The extent to which the dual communications policy goals of universal service and economic development are being achieved;

B. The actions taken by the commission to further these goals, including the status of any alternative approaches to regulation; and

C. Recommendations for legislation.

PART D

Sec. D-1. 5 MRSA §13001, sub-§§1 and 2, as enacted by PL 1991, c. 854, Pt. D, §1, are amended to read:

1. Membership. The council consists of ~~13~~ 17 members as follows:

A. The Commissioner of Economic and Community Development;

B. The Commissioner of Labor;

C. The Chief Executive Officer of the Maine Development Foundation;

D. The Chief Executive Officer of the Finance Authority of Maine;

E. The Executive Director of the Maine Science and Technology Commission;

F. The President of the Maine World Trade Association;

G. A member representing the University of Maine, appointed by the Chancellor of the University of Maine System;

- 2 H. A member representing the University of Southern Maine,
4 appointed by the Chancellor of the University of Maine
System;
- 6 I. The President of the Maine Technical College System;
- 8 J. The Director of the United States Small Business
10 Administration Small Business Development Subcenter Program
at the University of Southern Maine;
- 12 K. The Executive Director of the Maine State Housing
14 Authority;
- 16 L. The Director of the State Planning Office; and
- 18 M. The Executive Director of the Maine State Retirement
System;
- 20 N. The Commissioner of Education;
- 22 O. The Commissioner of Environmental Protection;
- 24 P. The Commissioner of Transportation; and
- 26 Q. A member representing the Maine Association of Regional
28 Councils, appointed by the President of the Maine
Association of Regional Councils.

30 2. **Quorum; voting.** Seven Nine members of the council
32 constitute a quorum, which is necessary for voting on issues
before the council. A majority vote of those voting is necessary
for official action of the council.

34 **Sec. D-2. 5 MRSA §13002, sub-§1, ¶A,** as enacted by PL 1991, c.
36 854, Pt. D, §1, is amended by amending subparagraphs (1) and (2)
to read:

38 (1) No later than February 1, 1993 1994, the council
40 shall provide to the joint standing committee of the
Legislature having jurisdiction over economic
42 development matters a preliminary report that
inventories existing economic development regions and
44 resources, analyzes the effectiveness of those regions
in carrying out their mission and proposes a system of
46 economic development regions to provide comprehensive
economic development and business assistance services
48 throughout the State.

2 (2) Following presentation of the report required by
4 subparagraph (1), but no later than June 1, 1994, the
6 council shall adopt by rule a system of economic
8 development regions for the State that identifies each
region and a proposed system of delivering economic
development and business assistance services within
each region.

10 **Emergency clause.** In view of the emergency cited in the
12 preamble, this Act takes effect when approved.

14 **FISCAL NOTE**

	1993-94	1994-95
18 APPROPRIATIONS/ALLOCATIONS		
20 General Fund	\$289,000	\$276,000

22 Part A of the bill establishes the Maine Economic Growth
24 Council and provides General Fund appropriations to the Maine
26 Development Foundation of \$217,000 and \$204,000 in fiscal years
1993-94 and 1994-95, respectively, for the operating costs
associated with the council.

28 Part B of the bill establishes the Office of Economic
30 Conversion within the Executive Department and provides General
32 Fund appropriations of \$72,000 in each of fiscal years 1993-94
and 1994-95. These funds support a Development Project Officer
position and general operating expenses.

34 The Public Utilities Commission will incur some minor
36 additional costs to provide a report to the Legislature on the
38 status of the telecommunications industry in Maine as required in
Part C.

40 **STATEMENT OF FACT**

42 Part A of the bill creates the Maine Economic Growth Council
44 to develop, maintain and evaluate a long-term economic plan for
46 the State. The council consists of 18 members jointly appointed
by the Governor, President of the Senate and Speaker of the House
of Representatives.

48 Part B of the bill creates the Office of Economic
50 Conversion. The office will be responsible for carrying out the
recommendations of the Task Force on Defense Realignment and the

2 Economy. The office will also act as a clearinghouse for
3 businesses in the State seeking information on defense conversion
4 and track federal and private funding for conversion projects.
5 The council sunsets on July 1, 1995.

6 Part C of the bill amends the State's policy on
7 telecommunications stressing the need for a state-of-the-art
8 telecommunications network in order to ensure the economic health
9 and vitality of the State. It also requires a report on the
10 status of the telecommunications industry no later than December
11 31, 1994.

12 Part D of the bill expands the Economic Development and
13 Business Assistance Coordinating Council to include the
14 Commissioner of Education, the Commissioner of Environmental
15 Protection, the Commissioner of Transportation and a member of
16 the Maine Association of Regional Councils. Part D also
17 establishes the voting and quorum requirements, revises the
18 council's initial reporting date to February 1, 1994 and requires
19 that the council adopt a system of economic development regions
20 prior to June 1, 1994.
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