

# MAINE STATE LEGISLATURE

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R & S.

L.D. 1353

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DATE: June 12, 1995

(Filing No. S- 245)

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**BUSINESS AND ECONOMIC DEVELOPMENT**

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Reported by: Senator HARRIMAN of Cumberland for the Committee.

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Reproduced and distributed under the direction of the Secretary of the Senate.

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**STATE OF MAINE  
SENATE  
117TH LEGISLATURE  
FIRST REGULAR SESSION**

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COMMITTEE AMENDMENT "A " to S.P. 494, L.D. 1353, "Resolve, to Determine the Effectiveness of Economic Development Incentives in Maine"

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Amend the resolve in the emergency preamble by striking out all of the 4th "WHEREAS" paragraph (page 1, lines 14 to 17 in L.D.) and inserting in its place the following:

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'Whereas, the agencies cited in this resolve must complete their work and submit their report by February 16, 1996; and'

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Further amend the resolve by striking out all of sections 1 to 7 and inserting in their place the following:

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'Sec. 1. Study required. Resolved: That the Department of Economic and Community Development and the Finance Authority of Maine shall jointly conduct a study of all state-sponsored loans, loan guarantees, grants, tax incentives and other financial incentives designed to encourage the growth and development of business in the State, analyzing for each such incentive the public policy goals expressed in the enabling legislation, the performance of each incentive in meeting the public policy goals, the mechanisms for ensuring that the public is receiving an appropriate return on each incentive investment and any recommendations for legislative changes to improve the effectiveness and return on investment of any such incentives. In undertaking the study, the Department of Economic and Community Development and the Finance Authority of Maine shall request and consider the comments and recommendations of the

**COMMITTEE AMENDMENT**

R. & S.

COMMITTEE AMENDMENT "A" to S.P. 494, L.D. 1353

2 Maine Economic Growth Council, as well as representatives of  
3 business, lenders and labor, economic development professionals  
4 and other interested parties, and shall include in their report  
5 an analysis of the comments and recommendations received. The  
6 Department of Economic and Community Development and the Finance  
7 Authority of Maine shall submit their report to the Second  
8 Regular Session of the 117th Legislature on or before February  
9 16, 1996.'

10 Further amend the resolve by inserting at the end before the  
11 statement of fact the following:

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**FISCAL NOTE**

15 The additional costs to study and report on economic  
16 development incentives can be absorbed by the Department of  
17 Economic and Community Development and the Finance Authority of  
18 Maine utilizing existing budgeted resources.'

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**STATEMENT OF FACT**

23 This amendment requires the Department of Economic and  
24 Community Development and the Finance Authority of Maine to  
25 undertake a study of the effectiveness of business incentives and  
26 the public's return on its investment in each of these  
27 incentives. The Department of Economic and Community Development  
28 and the Finance Authority of Maine are required to report back to  
29 the Legislature on or before February 16, 1996 with  
30 recommendations for changes necessary to improve the  
31 effectiveness and return on investment for business financial  
32 incentives.

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This amendment also adds a fiscal note to the resolve.