



117th MAINE LEGISLATURE

SECOND REGULAR SESSION-1996

Legislative Document

No. 1802

H.P. 1318

House of Representatives, February 20, 1996

An Act to Consolidate and Improve Delivery of International Trade Services in Maine.

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

W). Mayo

OSEPH W. MAYO, Clerk

Presented by Speaker GWADOSKY of Fairfield. (GOVERNOR'S BILL) Cosponsored by President BUTLAND of Cumberland and Representative ROWE of Portland, Senator: HARRIMAN of Cumberland.

Be it enac	ted by the People of the State of Maine as follows:
	1. 5 MRSA §13063-A, as amended by PL 1993, c. 558, §1 cted by §2, is repealed.
	2. 5 MRSA §§13070-A and 13070-B, as enacted by PL 1989, Pt. M, §§6 and 13, are repealed.
Sec.	.3. 5 MRSA §13070-C is enacted to read:
\$13070-C	. International Trade Director
<u>Internat</u>	Appointment. The Governor shall appoint a full-time ional Trade Director who shall serve at the pleasure of ernor. The director shall report to the commissioner in
the exec	ution of the director's responsibilities.
	Duties. The International Trade Director shall t the State's policies with respect to development of
<u>internat</u>	ional trade opportunities for the State's businesses and . The director shall serve as the State's diplomat and
<u>shall ad</u>	vocate within the State and abroad on behalf of the State State's international community.
	ector shall serve as the president of the Maine
<u>Board_of</u>	ional Trade Center upon confirmation by the center's Directors of the Maine International Trade Center. The
	shall oversee activities of the center and has the and responsibilities as provided in Title 10, chapter
<u>107-B.</u>	and responsibilities as provided in fittle to, chapter
	. 4. 10 MRSA c. 107-A, as enacted by PL 1989, c. 875, Pt. nd 3, is repealed.
Sec.	.5. 10 MRSA c. 107-B is enacted to read:
	<u>CHAPTER 107-B</u>
	MAINE INTERNATIONAL TRADE CENTER
<u>§945. e</u>	stablishment
The	Maine International Trade Center, referred to in this
	as the "center," is established to enhance the
	ive advantage of state businesses desiring to compete in
	ernational market. The center provides a source of
	ip, coordination and a shared vision for international
	evelopment in the State. The purpose of the center,
-	its cooperative public and private board, is to refine, and implement the State's international strategic plan by
revise a	and implement the state's international strategic blan by

Page 1-LR3037(1) L.D.1802

	providing and enhancing services in coordination with the
2	economic development activities of the private sector, community
	and regional agencies and State Government.
4	
	The center is a private nonprofit corporation with a public
6	purpose and the exercise by the center of the powers conferred by
0	this chapter is held to be an essential governmental function.
8	<u>Chris Chapter ve nora co zo an ezerapeter priver presenter ina</u>
0	Poer a Dubler
	§945-A. Duties
10	
	The center shall provide a base level of services without
12	regard to membership in the center and enhanced services as the
	center's board of directors may direct, to private entities,
14	individuals, the State and to quasi-public and public entities.
	The center shall encourage and assist the growth of the State's
16	international economic activities in the following ways.
10	International economic accivities in the following ways.
18	1. Forum. The center shall provide a continuing forum for
	the exchange of expertise, ideas and innovations between the
20	public and private sectors.
22	2. Education. The center shall offer quality education and
	technical services to businesses in the State that compete or
24	seek to compete in worldwide markets.
24	seek to compete in worldwide markets.
2.6	2. De alegant of any one of the souther shall agt of a
26	3. Development of programs. The center shall act as a
	catalyst in the development and coordination of international
28	programs.
30	4. Public policy. The center shall underscore the
	importance of international trade as a priority of public policy
32	and to enhance public appreciation of the relevance of the
02	international economy.
2.4	international economy.
34	
	5. Information. The center shall provide information
36	necessary to transact international business and to make
	effective decisions concerning international trade and policy.
38	
	6. Infrastructure. The center shall support the
40	development and availability of an overall infrastructure
	conducive to international business.
42	conductive co incernacional business.
42	
	7. Dissemination of programs. The center shall promote the
44	development and dissemination of education, training and
	technical assistance programs appropriate for foreign countries.
46	
	8. Market opportunities. The center shall identify market
48	opportunities and potential contracts in foreign countries that
	match the technologies and expertise available in the State and
50	coordinate and submit appropriate proposal responses.
50	<u>coordinate and submit appropriate proposal responses.</u>

9. Data base. The center shall maintain an international commerce data base to assist in making program decisions.

§945-B. Members of center

Members of the center are individuals and organizations that
pay dues to the center or are state agencies as specified in subsection 1. Memberships may be set at different levels.
Members shall elect 7 members to the board of directors of the center pursuant to section 945-C.

12

2

4

6

Members. Members are the private individuals, 1. 14 partnerships, firms, corporations, governmental entities and other organizations who pay dues to the center. For the purposes of this chapter, members may include, but are not limited to, 16 municipal and county government, councils of government, local 18 and area development corporations, regional planning commissions, development districts, state agencies, higher educational 20 facilities, including the components of the University of Maine System, the Maine Maritime Academy, private colleges and 22 postsecondary schools and technical colleges, and other public or quasi-public entities. The following 8 public organizations are 24 granted membership by virtue of the State's contribution to the organization, are exempt from dues requirements and each is entitled to designate one individual to exercise its voting 26 right: the Department of Agriculture, Food and Rural Resources, 28 the State Planning Office, the Finance Authority of Maine, the Department of Labor, the Department of Conservation, the 30 Department of Marine Resources, the Department of Economic and Community Development and the Department of Transportation. 32

2. Voting rights. All members have a vote in the affairs 34 of the center as set forth in the bylaws of the center, except that when the member is an organization and not an individual the 36 governing body of that organization shall designate the individual who is to exercise the voting right.

§945-C. Board of directors and officers

40

38

The Board of Directors of the Maine International Trade 42 Center, referred to in this chapter as the "board of directors," consists of 7 directors elected from the membership and 5 44 directors appointed by the Governor. Each director is entitled to one vote. Board members' terms must be staggered as 46 determined in the bylaws of the center.

48 The state representative of the United States Department of Commerce and the state representative of the United States Small

2	<u>Business Administration may serve as nonvoting ex officio</u> directors.
4	1. Elected directors. The members shall elect 7 directors from among the center's dues-paying membership.
6	
8	2. Governor-selected directors. The Governor shall select 5 directors, one of whom must be the International Trade Director at the Department of Economic and Community Development.
10	at the population of beginning and community percipitence
12	3. Chair; vice-chair; treasurer. The board of directors shall elect the chair and the vice-chair of the board of directors and the treasurer of the center from among the
14	<u>directors.</u>
16	4. President. The International Trade Director at the Department of Economic and Community Development shall serve as
18	the president of the center upon confirmation by a majority of the board of directors. Once every 2 years, the Governor shall
20	submit the International Trade Director's name to the board of directors for reappointment. Reappointment is subject to
22	confirmation by a majority of the board of directors.
24	5. Duties of president. The president shall:
26	A. Serve as the liaison between the board of directors and the center;
28	B. Manage the center's programs and services;
30	
32	C. Ensure that the center's programs reflect the policy and management decisions as described in the strategic plan for the State concerning international trade;
34	
36	D. Coordinate all services to continually meet the needs of the center as described in the strategic plan for the State;
38	E. Play a leadership role in coordinating, facilitating and
40	helping to prioritize both the short-term and long-term recommendations of this strategic plan;
42	F. Serve as the State's diplomat, providing leadership in
44	the area of international trade and advocating within the State and abroad on behalf of the State's international trade community; and
46	
48	<u>G. Perform such other duties as the board considers</u> appropriate.
50	§945-D. General powers

2	The center may:
4	1. Suit. Sue or be sued in its own name;
6	2. Application for and receipt of funds. Apply for and receive funds from any private source or governmental entity,
8	whether by grant, donation, loan or any other manner;
10	3. Economic development services; fees. Employ a staff and provide services to public or private entities to assist their
12	efforts in the development of international trade in the State and to charge such fees for these services as it determines
14	appropriate;
16	4. Real and personal property. Purchase, receive, hold, lease, acquire by foreclosure, operate, manage, license, sell,
18	convey, transfer or grant real and personal property, together with those rights and privileges that may be incidental and
20	appurtenant to the real and personal property and the use of the real and personal property, including, but not limited to, any
22	real or personal property acquired by the center from time to time in the satisfaction of debts or enforcement of obligations;
24	5. Expenditures and obligations regarding real and personal
26	property. Make all expenditures and incur any obligations reasonably required in the exercise of sound business principles
28	to secure possession of, preserve, maintain, insure and improve real and personal property or interests in real and personal
30	property acquired by the center;
32	6. Securities. Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage or pledge the stock, shares, bonds,
34	debentures, notes or other securities and evidences of interest in or indebtedness of any person, firm, corporation, joint stock
36	company, partnership, association or trust and, while the owner or holder thereof, exercise all the rights, powers and privileges
38	of ownership, including the right to vote thereon;
40	7. Encumbrance of property. Mortgage, pledge or otherwise encumber any property right or thing of value acquired pursuant
42	to the powers contained in subsection 4, 5 or 6 as security for the payment of any part of the purchase price of the property
44	right or thing of value;
46	8. Contracts and liabilities. Make contracts, including contracts for services, and incur liabilities for any of the
48	purposes authorized in those contracts;

9. Debt. Borrow money for any of the purposes authorized
in this chapter; incur debt, including the power to issue its bonds, debentures, notes or other evidences of indebtedness,
whether secured or unsecured; and secure the same by mortgage, pledge, deed of trust or other lien on its property, rights and
privileges of every kind and nature, or any part thereof or interest therein; and

8

 10. Cooperation with agencies and organizations. Cooperate
with governmental agencies and the University of Maine System; and cooperate, assist and encourage organizations, local or
regional, private or public, in the communities of the State in the promotion, assistance and development of international trade
in those communities and the State.

16 §945-E. Adoption of bylaws

18 The center shall adopt bylaws consistent with this chapter for the governance of its affairs and has the general powers 20 accorded corporations under Title 13-A, section 202. The center shall take all actions necessary or convenient to carry out the 22 lawful purposes of the center under this chapter.

24 §945-F. Limitation of powers

26 The center may not enter into contracts, obligations or commitments of any kind on behalf of the State or any of its 28 agencies, nor may it have the power of eminent domain or any other power not provided to business corporations generally. 30 Bonds, notes and other evidences of indebtedness of the center may not in any way be a debt or liability of the State or 32 constitute a pledge of the faith and credit of the State.

34 §945-G. Liability of officers, directors and employees

All officers, directors, employees and other agents of the center entrusted with the custody of the securities of the center
or authorized to disburse the funds of the center must be bonded, either by a blanket bond or by individual bonds, with a surety
bond or bonds with a minimum limitation of \$100,000 coverage for each person covered by the surety bond, conditioned upon the
faithful performance of duties, the premiums for which are paid out of the assets of the center.

44

§945-H. Prohibited interests of officers, directors and employees 46

	Officers, directors or employees of the center or their	
48	spouses or dependent children may not receive any direct personal	
	benefit from the activities of the center in assisting any	
50	private entity. This section does not prohibit corporations or	

L.D.1802

other entities with which officers or directors are associated by2reason of ownership or employment from participating in
international trade activities of the center or receiving4services offered by the center as long as the ownership or
employment is made known to the board of directors and, if6applicable, the officers or directors abstain from voting on
matters relating to that participation. This section does not8apply to members who are not officers or directors of the center.

- 10 §945-I. Donations to State
- 12 The State, through the Governor, may accept donations, beguests, devises, grants or other interests of any nature on 14 behalf of the center and transfer those funds, property or other interests to the center.

<u>§945-J. Confidential records</u>

18

20

16

The following records are confidential and are not open to public inspection.

 1. Proprietary information. Information provided to or developed by the center and included in a business or marketing
plan is confidential so long as the person to whom the information belongs or pertains requests that it be designated as
confidential and if, when made available, the information would allow a person to obtain a business or competitive advantage over
another person or would result in significant detriment to the person to whom the information belongs and when the information
is not otherwise available in the public domain.

32 **2. Tax or financial information.** Any financial statement, supporting data or tax return of any person is confidential.

34
3. Credit assessment. Any record obtained by the center
36 that contains an assessment of the credit worthiness, credit rating or financial condition of any person is confidential.
38

- This section does not prohibit the disclosure of information 40 that is otherwise available in the public domain.
- 42 §945-K. Annual report; audit

44 The center shall provide an annual report and an independent audit of its activities to the Governor, the joint standing 46 committee of the Legislature having jurisdiction over economic development matters and the members of the center. 48

- <u>§945-L. General conditions; dissolution</u>
- 50

	The center shall operate as a nonprofit organization
2	consistent with its composition and broad public purposes. The
	following conditions apply to the operation or dissolution of the
4	<u>center.</u>
6	1. Net earnings of center. No part of the net earnings of
	the center may inure to the benefit of any member, officer,
8	director or employee, except that the center may pay reasonable
	compensation for services rendered and otherwise hold, manage and
10	dispose of its property for the purposes of the center.
12	2. Dissolution of center. Upon dissolution of the center,
	the members shall transfer all unexpended General Fund
14	appropriations to the State before paying or making provision for
	the payment of all other liabilities of the center.
16	
	<u>§945-M. Liberal construction</u>
18	
	This chapter may be construed liberally to effect the intent
20	and purposes of the center for an improved and enhanced
	international trade development effort in the State and may not
22	be construed as a limitation of powers.
24	Sec. 6. Appropriation. The following funds are appropriated
	from the General Fund to carry out the purposes of this Act.
26	1996-97
28	1990-97
	ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF
30	
	International Commerce Division
32	
	All Other (\$220,700)
34	
	Provides for the deappropriation of All
36	Other funds from the International Commerce
	Division for the general operation of the
38	Maine International Trade Center.
40	ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF
42	Office of Business Development
44	All Other (\$45,833)
44	All Other (\$45,833)
46	
	Provides for the deappropriation of All
	Provides for the deappropriation of All Other funds from the Maine Education

general operation of the Maine Internatonal Trade Center.

MAINE WORLD TRADE ASSOCIATION

General Funds

All Other

(\$114,583)

Provides for the deappropriation of All Other funds for the general operation of the Maine International Trade Center.

14

6

8

10

16 MAINE INTERNATIONAL TRADE CENTER

- 18 General Funds
- 20 All Other

\$381,116

22 Provides for the appropriation of All Other funds for the general operation of the 24 center.

26

Sec. 7. Transition from existing entities to Maine International Trade 28 Center.

30 1. The Maine International Trade Center must be governed by a transition board until November 1, 1996. This board is composed of 14 members, including 6 elected members of the former 32 Board of Directors of the Maine World Trade Association who 34 represent the private sector; the chair and 2 additional members of the former Board of Directors of the Maine Education and Training Export Partnership; and 5 individuals selected by the 36 The transition board members from the former Maine Governor. World Trade Association and the former Maine Education and 38 Training Export Partnership are to be selected by the respective former boards of directors. Election of the permanent board must 40 take place by October 15, 1996 in a nomination process open to all members of the center. The Governor has the choice of 42 selecting new directors or reappointing those serving on the transition board. 44

 2. The Maine International Trade Center must honor all contracts and other liabilities of the former Maine Education and
Training Export Partnership, the former International Commerce Division of the Department of Economic and Community Development
and the former Maine World Trade Association. 2 3. A11 memberships of the former Maine World Trade Association and the Maine Education and Training Export Partnership must be transferred to the Maine International Trade 4 Center effective August 1, 1996 with all rights and privileges pertinent to the transfer. These members are charter members of 6 the center.

Sec. 8. Maine Revised Statutes amended; revision clause. Wherever in the Maine Revised Statutes the words "Maine Education and Training Export Partnership"; "International Commerce Division" or the "Maine World Trade Association" appear, or reference is made to those words, they are amended to read and mean the "Maine International Trade Center," and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

Sec. 9. Effective date. This Act takes effect August 1, 1996.

20

18

8

22

STATEMENT OF FACT

The purpose of this bill is to merge the functions of the Association, the Maine Education and Training Export Partnership and the International Commerce Division of the Department of Economic and Community Development into one entity called the Maine International Trade Center, or the center.

28

The board of directors of the center would be a public and 30 private partnership, with the majority of the board being representative of the private sector. Funding for the center 32 would be a combination of private and public funds. The position of International Trade Director at the Department of Economic and 34 Community Development would be appointed by the Governor and approved by a majority of the board to serve as the president of 36 the center. The purpose of the center, through its public and private board, would be to refine, revise and implement the 38 international strategic plan for the State. All public and private funding for programs and services presently allocated to 40 international trade would be funneled through the board, which would determine allocation of those resources. Private funds 42 would be provided by membership at 2 levels, a corporator's level and a general membership level. The center would have universal 44 access for all residents of Maine and Maine companies.