

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 949

S.P. 315

In Senate, February 3, 1999

An Act to Encourage Economic Development in the State.

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

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

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator KILKELLY of Lincoln.

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

2
4 **Sec. 1. 7 MRSA §434, sub-§1**, as enacted by PL 1995, c. 658, §1, is amended to read:

6 **1. Agricultural enterprise.** "Agricultural enterprise" means a person or business engaged in the commercial growing or
8 harvesting of plants; raising animals; growing or obtaining plant or animal by-products; aquaculture, as defined in Title 12,
10 section 6001, subsection 1; or producing, processing, storing, packaging or marketing a product derived from an agricultural
12 enterprise, with the intent that the product be sold or otherwise disposed of to generate income. Notwithstanding any other
14 provision of this subsection, "agricultural enterprise" does not include a person or business engaged in the growing or harvesting
16 of trees or any person or business engaged in the processing of trees or other forms of wood into pulp or other raw materials
18 used in the paper manufacturing process.

20 **Sec. 2. 10 MRSA §382, sub-§4**, as enacted by PL 1995, c. 699, §3, is amended to read:

22 **4. Qualifying small business.** "Qualifying small business" means a business employing ~~25~~ 50 or fewer employees or having
24 gross sales not exceeding ~~\$2,000,000~~ \$5,000,000 within the most recent 12 months for which financial statements are available.

28 **Sec. 3. 10 MRSA §384, sub-§3**, as enacted by PL 1995, c. 699, §3, is amended to read:

30 **3. Terms.** The members other than the Commissioner of Economic and Community Development or the commissioner's designee
32 serve for ~~one-year~~ 2-year terms and may be reappointed for up to 3 consecutive terms. A member may serve for more than 3 2-year
34 terms if the terms are not consecutive.

36 **Sec. 4. 10 MRSA §385, sub-§3**, as enacted by PL 1995, c. 699, §3, is amended to read:

40 **3. Ownership interests.** The board may not hold an ownership interest in a private enterprise unless when it is
42 determined by the board that such an interest is necessary to ~~recover amounts due to the fund and the agreement between the~~
44 ~~board and the private enterprise contains a specific plan for the board to divest itself of the ownership at some future time~~ or
46 desirable in order for the fund to obtain a reasonable return on its investment in the private enterprise.

48 **Sec. 5. 10 MRSA §386, sub-§3, ¶C**, as enacted by PL 1995, c. 50 699, §3, is repealed.

2 The bill sets terms of members at 2 years, rather than one
3 year, but provides for a maximum of 3 consecutive 2-year terms.
4 It increases the amount the board can invest in any recipient
5 from \$150,000 to \$500,000. It allows the Small Enterprise Growth
6 Board to obtain an equity or ownership interest in a recipient
7 when the board determines that such an equity position will
8 provide the most appropriate return on the board's investment in
9 the enterprise.

10 The bill repeals the requirement that the Small Enterprise
11 Growth Board only invest in enterprises that are not able to
12 access sufficient financial assistance from a financial
13 institution.

14 The bill amends the eligibility provision of the
15 Agricultural Marketing Loan Fund to clarify that businesses
16 engaged in the growing or harvesting of trees and the processing
17 of wood into by-products or into raw materials for the
18 papermaking process are ineligible for loans under the program.
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