

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 950

S.P. 316

In Senate, February 3, 1999

An Act to Consolidate and Improve Agricultural Market Research and New Technology Grants in the Department of Agriculture, Food and Rural Resources to Encourage Economic Development of Maine Farms and Food Processors.

Submitted by the Department of Agriculture, Food and Rural Resources pursuant to Joint Rule 204.

Reference to the Committee on Agriculture, Conservation and Forestry 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 KIEFFER of Aroostook.
Cosponsored by Representative KNEELAND of Easton and
Representatives: CROSS of Dover-Foxcroft, GILLIS of Danforth.

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

4 **Sec. 1. 7 MRSA c. 10** is amended by repealing the headnote and
enacting the following in its place:

6 **CHAPTER 10**

8 **AGRICULTURAL DEVELOPMENT GRANT PROGRAM**

10 **Sec. 2. 7 MRSA §305**, as enacted by PL 1987, c. 402, Pt. A,
§77, is repealed.

12 **Sec. 3. 7 MRSA §306**, as enacted by PL 1987, c. 402, Pt. A,
14 §77, is repealed.

16 **Sec. 4. 7 MRSA §306-A** is enacted to read:

18 **§306-A. Agricultural Development Fund**

20 **1. Agricultural Development Fund.** The commissioner shall
22 establish an agricultural development fund to accelerate new
market development, adoption of advantageous technologies and
24 promotion of state agricultural products by state producers.

26 **2. Fund operation.** The commissioner shall utilize the
agricultural development fund to:

28 **A. Provide grants to individuals, firms or organizations to**
conduct market research or to undertake market promotion
30 activities for the purpose of expanding existing markets and
developing new markets for state agricultural products; and

32 **B. Test and demonstrate new technologies related to the**
34 production, storage and processing of state agricultural
commodities.

36 **3. Rulemaking.** The commissioner shall establish, by rule,
38 in a manner consistent with Title 5, chapter 375, subchapter II-A
criteria for the allocation of grant money, application
40 requirements consistent with the provisions of this section, a
schedule for accepting and reviewing applications, reporting
42 requirements on grant expenditures and project results and any
other administrative requirements necessary for the efficient
44 implementation of this program. The commissioner is guided by
the following criteria:

46 **A. Applications may be submitted by individuals, firms or**
48 organizations;

2 B. At least 25% of the total cost of any project must be
4 funded by the applicant or applicants and at least 10% of
6 the total cost must be funded from nonpublic sources. A
8 single grant may not exceed 20% of the total funds available
10 to be granted in a given year; and

12 C. Information relative to market research or development
14 activities provided to the commissioner prior to formal
16 application, included in grant applications or provided to
18 the commissioner to fulfill reporting requirements is
20 confidential information and may not be publicly disclosed
22 by the commissioner as long as:

24 (1) The person to whom the information belongs or
26 pertains has requested that certain information be
28 designated as confidential; and

30 (2) The commissioner has determined that the
32 information gives the person making the request
34 opportunity to obtain business or competitive advantage
36 over another person who does not have access to the
38 information or will result in loss of business or other
40 significant detriment to the person making the request
42 if access is provided to others.

44 4. Advisory committee. The commissioner shall establish
46 the Agricultural Development Committee to evaluate market and
48 production development grant applications and review project
50 results.

Sec. 5. 7 MRSA §§307, 308 and 309, as enacted by PL 1987, c.
402, Pt. A, §77, are amended to read:

§307. Special projects

The commissioner may contract directly with the Agricultural
~~Experiment Station or the Maine Cooperative Extension Service~~
University of Maine System for market research, testing new
technologies and for research on pressing, short-term technical
problems related to the production, marketing, storage and
processing of agricultural commodities.

§308. Special revenues

Funds Interest and funds in the Agricultural Marketing Loan
Fund, established in Title 10, section 1023-J, contributed by
~~commodity groups, associations or individuals,~~ firms or
organizations for special projects or for competitive technology
transfer agricultural development projects shall must be
deposited in a dedicated account which ~~shall that~~ does not
lapse. ~~Commodity groups, associations or individuals~~

2 Individuals, firms or organizations may specify that funds
contributed to this account may be used to initiate projects
affecting specific commodities.

4
6 At the discretion of the commissioner, unused designated
grant dollars from the previous fiscal year, not to exceed
\$250,000, may be added to available grant funds in the current
8 fiscal year.

10 **§309. Annual review**

12 The commissioner, ~~the Director of the Agricultural~~
14 ~~Experiment Station and the Director of the Cooperative Extension~~
Service and the Agriculture Development Committee shall, on an
annual basis, review the effectiveness of the programs operated
16 under the provisions of this chapter ~~in facilitating the~~
~~introduction of new technologies for Maine agricultural~~
18 ~~operations.~~

20 Sec. 6. 7 MRSA §401-D, as enacted by PL 1987, c. 444, is
repealed.

22 Sec. 7. 7 MRSA §436, as enacted by PL 1995, c. 658, §1, is
24 amended to read:

26 **§436. Grants for technical assistance and research**

28 The commissioner may use all or a portion of the accrued
interest in the cash balance of the fund Agrcicultural Marketing
30 Loan Fund and interest portion of loan repayments, up to a
maximum of \$150,000 ~~\$250,000~~ per year, for ~~grants for technical~~
32 ~~assistance and for the research programs identified in the~~
~~technology transfer program in chapter 10, and the Agricultural~~
34 ~~Market Research and Development Fund established in section~~
401-D, ~~for the purposes of supporting adoption of new and~~
36 ~~innovative technology to support agricultural production and~~
marketing the agricultural development grant program in chapter
38 10.

40
42 **SUMMARY**

44 This bill consolidates administration of existing
agricultural market and production development grant programs
46 including the Agricultural Marketing Loan Fund, technology
transfer and special research projects program and the market
research and development grant program. The bill combines all of
48 these programs into one comprehensive agricultural development
grant program that will include all the elements of the
50 individual grant programs, add a market promotion eligibility

2 section, create one common administrative rule procedure,
establish common criteria for requests for proposals, criteria
4 for eligibility and application selection and raise the cap on
funds available for the programs through the Agricultural
Marketing Loan Fund from \$150,000 to \$250,000 per fiscal year.