

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

FIRST REGULAR SESSION-1999

Legislative Document

No. 1884

S.P. 662

In Senate, March 16, 1999

An Act to Create a Matching Grant Fund to Provide Technical Assistance to Small Wood Products Manufacturers.

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 MILLS of Somerset.
Cosponsored by Representative BAGLEY of Machias and
Senator NUTTING of Androscoggin, Representative: WHEELER of Bridgewater.

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

4 Sec. 1. 10 MRSA c. 110, sub-c. XI is enacted to read:

6 SUBCHAPTER XI

8 SMALL WOOD PRODUCTS MANUFACTURERS FUND

10 §1100-Y. Definitions

12 As used in this subchapter, unless the context otherwise indicates, the following terms have the following meanings.

14 1. Authority. "Authority" means the Finance Authority of Maine.

16 2. Fund. "Fund" means the Small Wood Products Manufacturers Fund established in section 1100-Z.

20 3. Small business. "Small business" means a forest products manufacturer engaged in primary or secondary wood processing in the State that has fewer than 150 full-time, year-round employees.

24 §1100-Z. Small Wood Products Manufacturers Fund

26 1. Fund established. There is established the Small Wood Products Manufacturers Fund to be administered by the authority. The fund provides matching grants to small businesses to provide technical assistance to foster innovation, develop new markets or develop new technologies. The grants must be used to reduce risk and permit access to specific technical expertise for product, technology or business development that is not generally available to small businesses. The fund is a revolving, nonlapsing fund.

36 2. Selection criteria. The authority shall adopt rules for the selection of eligible businesses for grants. These rules must include the following selection criteria:

40 A. The stated purpose of the small business for the grant funding is limited to developing a new product, new market or new technology or a business plan that will increase competitiveness and foster employment; and

46 B. The application of the small business must include the use of the grant for specific technical or business expertise from a person or organization not employed by the small business, with preference given to an application that

SUMMARY

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4 This bill establishes the Small Wood Products Manufacturers
Fund that is administered by the Finance Authority of Maine. The
6 fund provides matching grants to small wood products businesses
to provide technical assistance to foster innovation or develop
8 new markets or new technologies. The grants must be used to
reduce risk and permit access to specific technical expertise for
10 product, technology or business development that is not generally
available to small wood products businesses. The grants are used
12 to hire outside technical or business expertise with preference
given to expertise from a college or university in the State.
14 The grants are matching grants with no one grant to exceed
\$10,000, no one small wood products business to receive more than
16 \$10,000 in any 5-year period and the small business recipient to
provide 100% matching funds for any grant received. Costs of the
18 grant are limited to 30% for salaries for the outside experts,
30% to indirect costs and 30% to travel expenses. Grantees
20 report semiannually on the status of their grant to the Finance
Authority of Maine.