

# MAINE STATE LEGISLATURE

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L.D. 1144

DATE: April 01, 2002 (Filing No. S-517)

**BUSINESS AND ECONOMIC DEVELOPMENT**

Reported by:

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**STATE OF MAINE  
SENATE  
120TH LEGISLATURE  
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT "B" to S.P. 337, L.D. 1144, Bill, "An Act to Enhance Economic Development Capacity"

Amend the bill by inserting after the title and before the enacting clause the following:

**'Emergency preamble. Whereas,** Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

**Whereas,** the health and well-being of Maine's citizens are directly affected by the vitality of the economy; and

**Whereas,** economic development measures are critical to maintaining and expanding Maine's economy; and

**Whereas,** in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'

Further amend the bill by striking out everything after the enacting clause and before the summary and inserting in its place the following:

**'Sec. 1. Appropriations and allocations.** The following appropriations and allocations are made.

**COMMITTEE AMENDMENT**

2 **ECONOMIC AND COMMUNITY**  
3 **DEVELOPMENT, DEPARTMENT OF**

4  
5 **Applied Technology Development**  
6 **Center System**

8 Initiative: Provides one-time funds for the construction of  
9 the River Valley Technical Center incubator facility in Rumford.

10  
11 **General Fund** **2001-02** **2002-03**  
12 All Other \$700,000 \$0

14 **Applied Technology Development**  
15 **Center System**

16 Initiative: Provides one-time funds to fully fund the  
17 management assistance grant program for business incubators.

18  
19 **General Fund** **2001-02** **2002-03**  
20 All Other \$50,000 \$0

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23 **Regional Development Block Grant**

24 Initiative: Provides one-time, nonlapsing, regional capacity  
25 building block grant funds to Maine's 6 designated economic  
26 development districts. Funds must be disbursed by the  
27 Department of Economic and Community Development to the  
28 economic development districts by formula with a base amount of  
29 \$40,000 per annum to each district and the balance divided on a  
30 pro rata basis in accordance with the number of communities  
31 served, number of unemployed, number of persons living below  
32 poverty level and slow or declining population growth rates.  
33 Economic development districts are to request funds from their  
34 allotment on a project-by-project basis, based on the  
35 comprehensive economic strategy. Funds can be used to match  
36 federal and other grants. The Department of Economic and  
37 Community Development must approve grant funds on a  
38 project-by-project basis. Use of regional capacity building  
39 block grant funds is determined locally based on area  
40 comprehensive economic development strategies.

41  
42 **General Fund** **2001-02** **2002-03**  
43 All Other \$600,000 \$600,000

44  
45 **Strategic Assistance Fund**

46 Initiative: Provides one-time, nonlapsing funds for the  
47 regional economic development organizations to match federal

COMMITTEE AMENDMENT "B" to S.P. 337, L.D. 1144

2 planning grants to assist communities suffering from sudden and  
severe economic dislocation from the loss of major employers.

4	<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
6	All Other	\$200,000	\$0

8 **Maine State Film Commission**

Initiative: Provides \$35,000 in one-time funds to be used to  
10 upgrade the Maine Film Office's digital photography and website  
technology and additional operating funds of \$33,000 annually  
12 beginning in the first year of the biennium.

14	<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
16	All Other	\$68,000	\$33,000

18 **Maine Microenterprise Initiative Fund**

Initiative: Provides funds to recapitalize the Maine  
20 Microenterprise Initiative to provide training and technical  
assistance through community-based organizations to businesses  
22 that employ fewer than 10 people.

24	<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
26	All Other	\$1,000,000	\$0

28 **Business Development**

Initiative: Provides funds for the Maine Products Marketing  
30 Program with the requirement that \$25,000 be earmarked to  
offset expenses associated with the New England Products Trade  
32 Show in Portland.

34	<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
36	All Other	\$100,000	\$0

38 **Business Development**

Initiative: Provides one-time, nonlapsing funds for business  
40 attraction and expansion marketing efforts. Funds must be  
disbursed in accordance with a competitive quality-based  
42 selection procedure and must be matched on a one-to-one basis.  
Forty percent of the funds will be used to support statewide  
44 attraction efforts, including a direct foreign investment  
program; 40% will be used to support regional and local  
46 business attraction efforts; and 20% will be used to enhance  
regional and statewide efforts through focused advertising and  
48 other targeted marketing.

50	<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
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COMMITTEE AMENDMENT "B" to S.P. 337, L.D. 1144

All Other \$500,000 \$0

Administration - Economic and Community Development

Initiative: Provides funds to recapitalize the mature and dominant employer retention program, under the Maine Revised Statutes, Title 5, section 13063-D, which provides funds to assist communities where business closures are threatened or have occurred.

<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
All Other	\$100,000	\$100,000

Administration - Economic and Community Development

Initiative: Provides state matching funds to the Schoodic education and research center to leverage federal funds that will be used to renovate 2 buildings and associated infrastructure needed by the center at the soon-to-be decommissioned Naval Security Group Activity, Winter Harbor facility.

<b>General Fund</b>	<b>2001-02</b>	<b>2002-03</b>
All Other	\$400,000	\$0

**ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF DEPARTMENT TOTALS**

	<b>2001-02</b>	<b>2002-03</b>
<b>GENERAL FUND</b>	<b>\$3,718,000</b>	<b>\$733,000</b>
<b>DEPARTMENT TOTAL - ALL FUNDS</b>	<b>\$3,718,000</b>	<b>\$733,000</b>

**Emergency clause.** In view of the emergency cited in the preamble, this Act takes effect when approved.'

Further amend the bill by inserting at the end before the summary the following:

**FISCAL NOTE**

	<b>2001-02</b>	<b>2002-03</b>
<b>APPROPRIATIONS/ALLOCATIONS</b>		
General Fund	\$3,718,000	\$733,000

This bill includes General Fund appropriations totalling \$3,718,000 and \$733,000 in fiscal years 2001-02 and 2002-03, respectively for the Department of Economic and Community Development to enhance economic development capacity.'

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**SUMMARY**

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This amendment strikes and replaces the original bill. It includes annual General Fund appropriations totaling \$4,571,000 for the Department of Economic and Community Development. It provides \$1,200,000 in regional development block grants and \$200,000 to secure federal planning grants to assist communities suffering from the loss of major employers. The amendment also provides \$500,000 for business attraction and expansion marketing efforts and \$1,000,000 to recapitalize the Maine Microenterprise Initiative. The amendment also provides \$200,000 over the biennium to recapitalize the fund that provides grants to avoid or alleviate the impact caused when a community loses a mature or dominant industry. It also provides one-time funds for the construction of the River Valley Technical Center incubator facility and matching funds for the Schoodic education and research center. The amendment also appropriates \$35,000 in one-time funds to assist the Maine Film Office to upgrade digital technology and \$100,000 for the Maine Products Marketing Program. This amendment adds an emergency preamble and clause and fiscal note to the bill.

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