

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 226

S.P. 79

In Senate, January 18, 2005

An Act To Amend the Applied Technology Development Centers Statutes

Submitted by the Department of Economic and Community Development pursuant to Joint Rule 204.

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

A handwritten signature in black ink, reading "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator BROMLEY of Cumberland.
Cosponsored by Representative RECTOR of Thomaston and
Senators: BRYANT of Oxford, DOW of Lincoln, Representatives: AUSTIN of Gray,
BERUBE of Lisbon, FARRINGTON of Gorham.

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

Sec. 1. 5 MRSA §12004-G, sub-§33-E, as enacted by PL 1999, c. 731, Pt. UUU, §1, is amended to read:

33-E.	Applied	Not	5 MRSA
Technology	Technology	Authorized	§15321
	Development		
	Center		
	System		
	Coordinating		
	Board		

Sec. 2. 5 MRSA §13105, sub-§2, ¶C, as enacted by PL 2003, c. 673, Pt. M, §8, is amended to read:

C. The development of new commercial products and the fabrication of such products in the State through the Maine Technology Institute under section 15302 and the applied technology development centers under section 15321; and

Sec. 3. 5 MRSA c. 407, sub-c. 2. is amended by repealing the subchapter headnote and enacting in its place the following:

SUBCHAPTER 2

TECHNOLOGY CENTERS

Sec. 4. 5 MRSA §15321, as amended by PL 2001, c. 562, §3 and PL 2003, c. 20, Pt. OO, §2 and affected by §4, is further amended to read:

§15321. Technology centers

1. **Establishment; purpose.** The ~~Applied---Technology Development-Center-System~~ technology centers, referred to in this section as the "system centers," ~~is are~~ established. The purpose of the system centers is to permit early-stage development of technology-based businesses while minimizing or eliminating debilitating overhead expenses. ~~The system--is self-managed, state-coordinated centers, strategically placed throughout the State, are~~ an integral component of the State's efforts to foster new technology-based businesses ~~and--consists--of--a--network--of self-managed,--state-coordinated--centers--strategically--placed throughout--the--State.~~ The goals of the system centers include the following:

A. The retention of successful start-up businesses in the State;

2 B. The improvement of opportunities for workers through the
creation of technologically advanced jobs;

4 C. The encouragement of private-sector initiatives;

6 D. The renovation and utilization of vacant commercial real
estate; and

8 E. The generation of new sources of revenue for local and
10 state tax bases.

12 2. **Administration.** The following provisions govern the
administration of the system centers.

14 A. ~~The system is administered by the Applied Technology~~
16 ~~Development Center System Director, referred to in this~~
section ~~as the "director," who is appointed by the~~
18 ~~Commissioner of Economic and Community Development. The~~
director ~~shall report to the Commissioner of Economic and~~
20 ~~Community Development in the execution of the director's~~
responsibilities. ~~The duties of the director include, but~~
22 ~~are not limited to:~~

24 (1) ~~Assisting in the recruitment of tenants for the~~
system;

26 (2) ~~Providing marketing services for the system; and~~

28 (3) ~~Providing business training for tenants of the~~
30 ~~system, including:~~

32 (a) ~~Developing a business plan; and~~

34 (b) ~~Providing information and assistance~~
36 ~~regarding legal issues and financing.~~

38 B. The Department of Economic and Community Development
shall establish an Applied a Technology Development Center
System Coordinating Board that consists of interested
40 parties in the State to coordinate system center
activities. The Applied Technology Development Center
42 System Coordinating Board consists of at least the following
members:

44 (1) The Commissioner of Economic and Community
46 Development or the commissioner's designee;

48 (2) ~~The director;~~

- 2 (3) A representative from each ~~applied~~ technology
development center, chosen by that center;
- 4 (4) A representative from the University of Maine
6 System, chosen by the Chancellor of the University of
Maine System;
- 8 (5) A representative of the Maine Community College
10 System, chosen by the President of the Maine Community
College System;
- 12 (6) A representative of a nonprofit organization that
14 is funded by the State and promotes the State to
business entities, chosen by that organization;
- 16 (7) An attorney, chosen by the Commissioner of
18 Economic and Community Development;
- 20 (8) A financial expert, chosen by the Commissioner of
Economic and Community Development; and
- 22 (9) A representative of the institute.

24 C. Each ~~applied~~ technology development center is governed
26 by its own board of directors. Each board of directors
shall establish standards for the selection of tenants.

28 D. The Department of Economic and Community Development
30 shall determine where the ~~applied~~ technology development
centers are to be located. ~~The--Center--for--Environmental~~
32 ~~Enterprise--in--South-Portland--the--Target--Technology--Center~~
in--~~Orono--the--Thomas--M.--Teague--Biotechnology--Park--in~~
Fairfield--and--the--~~Loring--Biotechnology--Incubator--in~~
34 ~~Limestone--are--exempt--from--a--determination--made--under--this~~
paragraph.

36 3. **Technology centers.** The following provisions govern
38 ~~applied~~ technology development centers.

40 A. ~~An--applied~~ A technology development center may be
42 incorporated as a nonprofit organization, be part of a
nonprofit organization, be incorporated as a for-profit
44 organization or be part of a for-profit organization. The
following provisions govern a for-profit ~~applied~~ technology
development center.

46 (1) Services made available to ~~an--applied~~ a technology
48 development center by the center director must be made
available to all tenants of a for-profit center.

50

2 (2) A for-profit center in a targeted technology may
3 apply for available funding. A for-profit center
4 selected for funding shall accept the funding as a loan
5 that may be paid back in the form of cash, equity or
6 royalties as agreed upon by the for-profit center and
7 the Department of Economic and Community Development.

8 ~~B. The Department of Economic and Community Development and~~
9 ~~the director shall assist in the recruitment of tenants for~~
10 ~~the applied technology development centers that are~~
11 ~~representative of the targeted technologies. Sources of~~
12 ~~tenant recruitment may include nonprofit and academic~~
13 ~~institutions, entrepreneurial start-up companies referred to~~
14 ~~the system by a technology-based trade organization or~~
15 ~~economic development organization and system recruited and~~
16 ~~self-referred start-up companies.~~

17 C. Each applied technology development center shall provide
18 shared, low-cost space to selected tenants and be designed
19 to be self-sufficient with regard to operational costs and
20 structural maintenance. Existing real estate must be
21 considered where suitable. Specific business support
22 tailored to each tenant must be provided by existing
23 organizations such as the small business development centers
24 and regional economic development districts. Each applied
25 technology development center must have
26 simultaneous-broadcast or interactive-television capability
27 or access to these capabilities nearby to facilitate common
28 training for the system.

29 D. The records and proceedings of the applied technology
30 development centers are not considered public for the
31 purposes of Title 1, chapter 13.

32 **4. Funding.** The following provisions govern funding for
33 applied technology development centers.

34 A. An applicant may not receive more than \$750,000 from the
35 system in an initial funding for an applied a technology
36 development center.

37 B. ~~An entity that requests initial funding for an applied~~
38 ~~technology development center shall obtain or must have~~
39 ~~obtained at least 25% of the funding from nonstate sources.~~
40 ~~These sources may include in-kind donations, federal grants,~~
41 ~~federal funding, local funding initiatives and private~~
42 ~~foundation grants. The Applied Technology Development~~
43 ~~Center System Coordinating Board shall determine whether the~~
44 ~~matching funds meet this requirement. The Center for~~
45 ~~Environmental Enterprise in South Portland, the Target~~

Technology---Center---in---Orono---the---Thomas---M---Teague
Bioteehneology-Park-in-Fairfield-and-the-Loring-Biotechnology
Incubator-in-Limestone-must-meet-this-requirement-in-order
to-receive-funding-under-this-subsection.

5. **Relationship with academic institution.** An-applied A
technology development center shall establish a relationship with
at least one academic institution in this State. The Applied
Technology Development Center System Coordinating Board shall
establish guidelines for such a relationship and determine
whether an-applied a technology development center has met the
requirements of this subsection.

6. **Rule-making authority.** The Department of Economic and
Community Development may adopt rules to carry out the purposes
of this section. Rules adopted pursuant to this section are
routine technical rules as defined in chapter 375, subchapter
II-A 2-A.

SUMMARY

This bill changes the names of the Applied Technology
Development Centers and its coordinating board, removes the
position of Applied Technology Development Center System Director
and transfers the responsibilities of the Department of Economic
and Community Development for marketing and recruiting tenants to
the centers. The bill also establishes a funding cap on the
initial funding of a center and removes old references to named
centers for the purpose of the initial funding allocations.