

MAINE STATE LEGISLATURE

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122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 1068

S.P. 385

In Senate, March 1, 2005

An Act To Strengthen Maine's Small Business Economy

Reference to the Committee on Taxation 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 BROMLEY of Cumberland.
Cosponsored by Representative SMITH of Monmouth and
Senator: DAMON of Hancock, Representatives: AUSTIN of Gray, BEAUDETTE of
Biddeford, BRYANT of Windham, CANAVAN of Waterville, CROSBY of Topsham,
FARRINGTON of Gorham, JACOBSEN of Waterboro.

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

2 **Sec. 1. 1 MRSA §537, sub-§1**, as enacted by PL 1997, c. 713,
4 §1, is amended to read:

6 **1. Funding.** ~~InforME is self-supporting. General Fund or~~
~~other state funds may not be used for start-up costs. Revenue is~~
8 generated may generate revenue through fees or surcharges on
10 premium services paid by subscribers and from money, goods or
12 in-kind services donated or awarded from ~~non-General-Fund~~ any
sources to carry out the purposes of this Act.

14 **Sec. 2. Rulemaking.** The Department of Economic and Community
16 Development and the Department of Labor are authorized to adopt
rules to implement the purposes of this Act. Rules adopted
18 pursuant to this section are routine technical rules as defined
in the Maine Revised Statutes, Title 5, chapter 375, subchapter
2-A.

20 **Sec. 3. Report.** The Department of Economic and Community
22 Development shall arrange for an independent evaluation of all
programs supported pursuant to this Act and shall report the
24 findings of this evaluation to the joint standing committee of
the Legislature having jurisdiction over business, research and
26 economic development matters no later than January 1, 2007 and
annually thereafter.

28 **Sec. 4. Appropriations and allocations.** The following
30 appropriations and allocations are made.

32 **ADMINISTRATIVE AND FINANCIAL**
SERVICES, DEPARTMENT OF

34 **Business Equipment Tax Reimbursement 0806**

36 Initiative: Deappropriates an amount equal to 10% of funds to be
38 used to provide direct support for Maine's small business economy.

40 GENERAL FUND	2005-06	2006-07
All Other	(\$7,800,000)	(\$8,300,000)
42 GENERAL FUND TOTAL	<hr/>	<hr/>
	(\$7,800,000)	(\$8,300,000)

44 **ADMINISTRATIVE AND FINANCIAL**
46 **SERVICES, DEPARTMENT OF**
DEPARTMENT TOTALS

48 GENERAL FUND	2005-06	2006-07
	(\$7,800,000)	(\$8,300,000)
	<hr/>	<hr/>

2 **DEPARTMENT TOTAL - ALL FUNDS** (\$7,800,000) (\$8,300,000)

4 **ECONOMIC AND COMMUNITY**

6 **DEVELOPMENT, DEPARTMENT OF**

8 **Administration - Economic and Community Development 0069**

 Initiative: Provides ongoing funds for a women's business center.

10	GENERAL FUND	2005-06	2006-07
	All Other	\$152,344	\$162,100
12		<hr/>	<hr/>
	GENERAL FUND TOTAL	\$152,344	\$162,100

14 **Administration - Economic and Community Development 0069**

16 Initiative: Provides ongoing funds for a tourism specialist.

18	GENERAL FUND	2005-06	2006-07
20	All Other	\$121,875	\$129,688
22		<hr/>	<hr/>
	GENERAL FUND TOTAL	\$121,875	\$129,688

24 **Administration - Economic and Community Development 0069**

26 Initiative: Provides ongoing funds for a market development

28 center, which generates a 2-1 federal match.

30	GENERAL FUND	2005-06	2006-07
	All Other	\$121,875	\$129,688
32		<hr/>	<hr/>
	GENERAL FUND TOTAL	\$121,875	\$129,688

34 **Administration - Economic and Community Development 0069**

36 Initiative: Provides ongoing funds for MaineBizWorks on-line

38 education.

40	GENERAL FUND	2005-06	2006-07
	All Other	\$243,750	\$259,375
42		<hr/>	<hr/>
	GENERAL FUND TOTAL	\$243,750	\$259,375

44 **Administration - Economic and Community Development 0069**

46 Initiative: Provides ongoing funds to establish a user-friendly

48 on-line permitting process.

2	GENERAL FUND	2005-06	2006-07
	All Other	\$365,625	\$389,063
4	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>
6	Administration - Economic and Community Development 0069		
8	Initiative: Provides ongoing funds for a business ombudsman.		
10	GENERAL FUND	2005-06	2006-07
	All Other	\$121,875	\$129,688
12	GENERAL FUND TOTAL	<u>\$121,875</u>	<u>\$129,688</u>
14	Administration - Economic and Community Development 0069		
16	Initiative: Provides ongoing funds for economic development districts.		
18			
20	GENERAL FUND	2005-06	2006-07
	All Other	\$365,625	\$389,063
22	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>
24	Administration - Economic and Community Development 0069		
26	Initiative: Provides ongoing funds for private sector small business grants.		
28			
30	GENERAL FUND	2005-06	2006-07
	All Other	\$365,625	\$389,063
32	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>
34	Administration - Economic and Community Development 0069		
36	Initiative: Provides ongoing funds for a community college entrepreneurship infrastructure.		
38			
40	GENERAL FUND	2005-06	2006-07
	All Other	\$609,375	\$648,438
42	GENERAL FUND TOTAL	<u>\$609,375</u>	<u>\$648,438</u>
44	Administration - Economic and Community Development 0069		
46	Initiative: Provides ongoing matching funds for an entrepreneurship chair at the University of Maine.		
48			

2	GENERAL FUND	2005-06	2006-07
	All Other	\$121,875	\$129,688
4	GENERAL FUND TOTAL	<u>\$121,875</u>	<u>\$129,688</u>

6 **Administration - Economic and Community Development 0069**

8 Initiative: Provides ongoing funds for internships for Maine students in entrepreneurship.

10	GENERAL FUND	2005-06	2006-07
12	All Other	\$1,218,750	\$1,296,876
14	GENERAL FUND TOTAL	<u>\$1,218,750</u>	<u>\$1,296,876</u>

16 **Administration - Economic and Community Development 0069**

18 Initiative: Provides ongoing funds for grants to students who start businesses in Maine after graduation.

20	GENERAL FUND	2005-06	2006-07
22	All Other	\$365,625	\$389,063
24	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>

26 **Administration - Economic and Community Development 0069**

28 Initiative: Provides ongoing funds to establish an independent evaluation of the impact of funds distributed pursuant to this Act to be conducted annually.

32	GENERAL FUND	2005-06	2006-07
34	All Other	\$365,625	\$389,063
36	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>

38 **Business Development 0585**

40 Initiative: Provides ongoing funds for business attraction.

42	GENERAL FUND	2005-06	2006-07
44	All Other	\$609,375	\$648,438
46	GENERAL FUND TOTAL	<u>\$609,375</u>	<u>\$648,438</u>

48 **Maine Microenterprise Initiative Fund 0447**

50 Initiative: Provides ongoing funds for microenterprise infrastructure.

	GENERAL FUND	2005-06	2006-07
2	All Other	\$1,218,750	\$1,296,876
4	GENERAL FUND TOTAL	<u>\$1,218,750</u>	<u>\$1,296,876</u>
6	Maine Small Business Commission 0675		
8	Initiative: Provides ongoing funds for small business development centers.		
10			
	GENERAL FUND	2005-06	2006-07
12	All Other	\$335,156	\$356,641
14	GENERAL FUND TOTAL	<u>\$335,156</u>	<u>\$356,641</u>
16	Applied Technology Development Center System 0929		
18	Initiative: Provides ongoing funds for operation costs at applied technology development centers.		
20			
	GENERAL FUND	2005-06	2006-07
22	All Other	\$365,625	\$389,063
24	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>
26	Office of Innovation 0995		
28	Initiative: Provides ongoing funds to contract for a small business and technology development specialist at the Maine Technology Institute.		
30			
	GENERAL FUND	2005-06	2006-07
32	All Other	\$365,625	\$389,063
34	GENERAL FUND TOTAL	<u>\$365,625</u>	<u>\$389,063</u>
36			
38	ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF DEPARTMENT TOTALS		
40		2005-06	2006-07
	GENERAL FUND	\$7,434,375	\$7,910,937
42	DEPARTMENT TOTAL - ALL FUNDS	<u>\$7,434,375</u>	<u>\$7,910,937</u>
44			
46	LABOR, DEPARTMENT OF		
48	Maine Centers for Women, Work and Community 0132		
50	Initiative: Provides funds for Maine Centers for Women, Work and Community.		

2	GENERAL FUND	2005-06	2006-07
	All Other	\$365,625	\$389,063
4		<hr/>	<hr/>
	GENERAL FUND TOTAL	\$365,625	\$389,063
6			
	LABOR, DEPARTMENT OF		
8	DEPARTMENT TOTALS	2005-06	2006-07
	General Fund	\$365,625	\$389,063
10		<hr/>	<hr/>
12	DEPARTMENT TOTAL - ALL FUNDS	\$365,625	\$389,063
14			
	SECTION TOTALS	2005-06	2006-07
16	GENERAL FUND	<u>\$0</u>	<u>\$0</u>
18	SECTION TOTAL - ALL FUNDS	\$0	\$0
20			

SUMMARY

24 This bill redirects 10% of Business Equipment Tax
26 Reimbursement program funds to be disbursed by the Department of
Economic and Community Development and the Department of Labor to
support an ongoing small business development infrastructure,
28 including the following:

- 30 1. A women's business center;
- 32 2. A tourism specialist;
- 34 3. A market development center;
- 36 4. MaineBizWorks on-line education;
- 38 5. User-friendly on-line business permitting;
- 40 6. A business ombudsman;
- 42 7. Funding for economic development districts;
- 44 8. Funding for private sector small business grants;
- 46 9. A community college entrepreneurship infrastructure;
- 48 10. An entrepreneurship chair at the University of Maine;

- 2 11. Funding for grants to Maine graduates for business
start-ups;
- 4 12. Funding for business attraction;
- 6 13. Funding for microenterprise infrastructure;
- 8 14. Funding for small business development centers;
- 10 15. Funding for operation costs of applied technology
development centers;
- 12 16. A small business technology development specialist at
14 the Maine Technology Institute;
- 16 17. Funding for the centers for women, work and community;
and
- 18 18. Independent evaluation annually of the impact of these
20 funds.
- 22 The bill also allows the InforME program to accept funds
24 from all sources, including General Fund appropriations, and
authorizes the Department of Economic and Community Development
and the Department of Labor to make rules to implement the bill's
26 purposes.