

MAINE STATE LEGISLATURE

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Date: 4/24/19

Majority

(Filing No. H-146)

INNOVATION, DEVELOPMENT, ECONOMIC ADVANCEMENT AND BUSINESS

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
129TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 120, L.D. 138, Bill, "An Act To Provide Funding for the Maine Coworking Development Fund"

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 5 MRSA §13056-G, sub-§3, ¶B, as enacted by PL 2015, c. 362, §1, is amended to read:

B. The department shall solicit applications for grants or loans from the fund through a request for proposals competitive application process, which must include, at a minimum, the following criteria for the submission of applications:

- (1) A description of the parties involved in the project, including the professional expertise and qualifications of the principals;
- (2) A description of the scope of work that will be undertaken by each party involved in the project;
- (3) The proposed budget, including verification of funding from other sources;
- (4) A statement of the project objective, including specific information on how the project will promote the use of the space as a collaborative workspace;
- (5) A statement that sets forth the implementation plan, the facilities and resources available or needed for the project and the proposed commencement and termination dates of the project;
- (6) A description of the expected significance of the project, including a description of the market demand for the type of collaborative workspace proposed in the region in which the space will be located and the number of tenants and participants that will be served as a result of the project;
- (7) Guidelines for the review and approval of applications that include preferences for applications that propose to redevelop existing properties located

COMMITTEE AMENDMENT

- 1 in the downtown area of a municipality, dedicate at least 25% of accessible space
- 2 to collaborative use and support a cluster of at least 5 separate tenants;
- 3 (8) A description of the ability of the collaborative workspace business to carry
- 4 out the provisions of this section;
- 5 (9) A summary of the proposed economic impact of the collaborative workspace
- 6 on the community;
- 7 (10) A description of plans for conformance with regional and local economic
- 8 development plans, if such plans exist; and
- 9 (11) A statement of the proximity of the collaborative workspace to an
- 10 accredited Maine community college, college or university, as defined in Title
- 11 20-A, section 12541, subsection 1.

12 **Sec. 2. 5 MRSA §13056-G, sub-§5**, as enacted by PL 2015, c. 362, §1, is
13 amended to read:

14 **5. Report.** Beginning February 1, ~~2016~~ 2020, the department shall annually provide
15 a report to the Governor, ~~the President of the Senate and the Speaker of the House of~~
16 Representatives and the joint standing committee of the Legislature having jurisdiction
17 over innovation, development, economic advancement and business matters that must
18 include, but is not limited to:

- 19 A. The number of applications for collaborative workspace submitted to the
- 20 department;
- 21 B. The number of applications for collaborative workspace approved by the
- 22 department;
- 23 C. The number of collaborative workspaces created through the fund;
- 24 D. The numbers of tenants and participants engaged in each collaborative
- 25 workspace;
- 26 E. The number of jobs provided by each collaborative workspace;
- 27 F. The occupancy rate of each collaborative workspace; and
- 28 G. The number of tenants that have left collaborative workspace and that are
- 29 operating in the State and the number of jobs they have provided.

30 **Sec. 3. Development of collaborative workspaces.** The Department of
31 Economic and Community Development shall provide funds from the Maine Coworking
32 Development Fund, as established in the Maine Revised Statutes, Title 5, section
33 13056-G, to entities that maintain collaborative workspace businesses to allow those
34 entities to expand those collaborative workspace businesses and to entities to develop
35 new collaborative workspaces. In providing funds pursuant to this section,
36 notwithstanding any provision of law to the contrary, the department shall prioritize
37 development of new collaborative workspaces and shall give preference to applicants
38 with collaborative workspace businesses located in municipalities and counties in which
39 the unemployment rate exceeds the State's unemployment rate. The department shall
40 engage in at least 2 rounds of competitive applications to expend the funds. Funds

COMMITTEE AMENDMENT

1 appropriated to the Maine Coworking Development Fund in fiscal year 2019-20 do not
2 lapse and must be carried over into fiscal year 2020-21 and used for the purposes
3 described in this section.

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

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

7 **Maine Coworking Development Fund Z195**

8 Initiative: Provides one-time funds for the development of collaborative workspace
9 businesses, with preference given to applicants with projects in towns and counties in
10 which the unemployment rate exceeds the State's unemployment rate.

11	GENERAL FUND	2019-20	2020-21
12	All Other	\$300,000	\$0
13			
14	GENERAL FUND TOTAL	\$300,000	\$0
15			

16 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
17 section number to read consecutively.

18 **SUMMARY**

19 This amendment requires the Department of Economic and Community
20 Development, when determining grants from the Maine Coworking Development Fund,
21 to solicit applications through a competitive bid process, instead of a request for proposal
22 process. The amendment allows for funds to be provided to entities to establish new
23 collaborative workspaces and directs the department to prioritize development of new
24 workspaces in the competitive application process. The amendment replaces the
25 requirement for an annual report by the department to the President of the Senate and the
26 Speaker of the House of Representatives with a report to the joint standing committee of
27 the Legislature having jurisdiction over innovation, development, economic advancement
28 and business matters. The amendment directs the department to engage in at least 2
29 rounds of competitive applications and also directs that the 2019-20 appropriation be
30 carried over into 2020-21.

FISCAL NOTE REQUIRED
(See attached)



129th MAINE LEGISLATURE

LD 138

LR 246(02)

An Act To Provide Funding for the Maine Coworking Development Fund

Fiscal Note for Bill as Amended by Committee Amendment *A(H-146)*
 Committee: Innovation, Development, Economic Advancement and Business
 Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Net Cost (Savings)				
General Fund	\$300,000	\$0	\$0	\$0
Appropriations/Allocations				
General Fund	\$300,000	\$0	\$0	\$0

Fiscal Detail and Notes

This bill includes a one-time General Fund appropriation of \$300,000 in fiscal year 2019-20 to the Maine Coworking Development Fund within the Department of Economic and Community Development for the development of collaborative workspace businesses, with preference given to applicants with projects in towns and counties in which the unemployment rate exceeds the State's unemployment rate.