

MAINE STATE LEGISLATURE

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130th MAINE LEGISLATURE

SECOND REGULAR SESSION-2022

Legislative Document

No. 1793

H.P. 1334

House of Representatives, December 9, 2021

An Act To Support Statewide Economic Recovery through Strategic Investments

Submitted by the Department of Economic and Community Development pursuant to Joint Rule 203.

Received by the Clerk of the House on December 7, 2021. Referred to the Committee on Innovation, Development, Economic Advancement and Business pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative ROBERTS of South Berwick.
Cosponsored by Senator CURRY of Waldo and
Representative: DUCHARME of Madison.

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

2 **Sec. 1. 5 MRSA §13056-H**, as enacted by PL 2019, c. 343, Pt. TTTT, §1, is repealed
3 and the following enacted in its place:

4 **§13056-H. Maine Economic Development Fund**

5 **1. Establishment; purposes.** The Maine Economic Development Fund is established
6 as a nonlapsing fund within the department to encourage and support economic and
7 business growth, rural manufacturing and industrial site redevelopment and
8 implementation of a strategic plan.

9 **2. Fiscal agent and duties.** The department is the fiscal agent of the State for all funds
10 appropriated or allocated to the Maine Economic Development Fund. Fiscal duties include
11 the disbursement of funds through grants to private companies for the purposes identified
12 in subsection 1. Other duties include the accounting, evaluation and monitoring of all
13 activities related to the Maine Economic Development Fund and all programs funded in
14 whole or in part by grants from the Maine Economic Development Fund.

15 **3. Equity investments; loans; contractual arrangements.** In addition to the
16 disbursement of funds through grants as described in subsection 2, the department may
17 make, alone or in participation or cooperation with other persons, direct equity investments
18 in, loans to or any other contractual arrangement allowed by law with private companies
19 for the purposes identified in subsection 1. For each disbursement of funds made by the
20 department in accordance with this section, the department may require satisfactory
21 evidence of matching funds in an amount equal to the state funds invested in whatever form
22 by the department by eligible recipients. Matching funds may be in the form of debt or
23 equity but must be at risk in the private companies for a minimum of 5 years.

24 **4. Rulemaking.** The department shall adopt rules necessary to carry out this program.
25 Rules adopted pursuant to this subsection are routine technical rules as defined in chapter
26 375, subchapter 2-A.

27 **SUMMARY**

28 This bill authorizes the Department of Economic and Community Development,
29 through the Maine Economic Development Fund, to make strategic investments, through
30 loans or direct equity investments, in economic development projects that support
31 economic and business growth, rural manufacturing and industrial site redevelopment and
32 implementation of a strategic plan.