

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND EIGHTEENTH LEGISLATURE

SECOND REGULAR SESSION
January 7, 1998 to March 31, 1998

SECOND SPECIAL SESSION
April 1, 1998 to April 9, 1998

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JUNE 30, 1998

SECOND SPECIAL SESSION
NON-EMERGENCY LAWS IS
JULY 9, 1998

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
1997

§964-A. Continuation of grievance arbitration provisions

If a contract between a public employer and a bargaining agent expires prior to the parties' agreement on a new contract, the grievance arbitration provisions of the expired contract pertaining to disciplinary action remain in effect until the parties execute a new contract.

Sec. 2. 26 MRSA §979-A, sub-§6, ¶J, as amended by PL 1997, c. 668, §4, is further amended to read:

J. Who substantially participates in the formulation and effectuation of policy in a department or agency or has a major role, other than a typically supervisory role, in the administration of a collective bargaining agreement in a department or agency; or

Sec. 3. 26 MRSA §979-A, sub-§6, ¶K, as amended by PL 1997, c. 668, §5, is further amended to read:

K. Who is a prisoner employed by a public employer during the prisoner's term of imprisonment, except for prisoners who are in work release or intensive supervision programs; ~~or~~.

Sec. 4. 26 MRSA §979-A, sub-§6, ¶L, as enacted by PL 1997, c. 668, §6, is repealed.

Sec. 5. 26 MRSA §979-R is enacted to read:

§979-R. Continuation of grievance arbitration provisions

If a contract between a public employer and a bargaining agent expires prior to the parties' agreement on a new contract, the grievance arbitration provisions of the expired contract pertaining to disciplinary action remain in effect until the parties execute a new contract.

Sec. 6. 26 MRSA §1284-A is enacted to read:

§1284-A. Continuation of grievance arbitration provisions

If a contract between a public employer and a bargaining agent expires prior to the parties' agreement on a new contract, the grievance arbitration provisions of the expired contract pertaining to disciplinary action remain in effect until the parties execute a new contract.

Sec. 7. Application. This Act applies to all collective bargaining contracts that expire on or after August 1, 1998.

Sec. 8. Retroactivity. Those sections of this Act that amend the Maine Revised Statutes, Title 26, section 979-A, subsection 6, paragraphs J and K and repeal Title 26, section 979-A, subsection 6, paragraph L, apply retroactively to April 2, 1998.

See title page for effective date.

CHAPTER 774

H.P. 1489 - L.D. 2088

**An Act to Amend the Laws
Concerning Access to Capital for
Maine Businesses**

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

Sec. 1. 10 MRSA §1100-T, sub-§2-A, as amended by PL 1995, c. 658, §4, is further amended to read:

2-A. Eligibility of private venture capital funds for tax credit certificate. The authority shall adopt rules in accordance with the Maine Administrative Procedure Act to implement application of the program to investment in a private venture capital fund. Without limitation, the requirements for eligibility for a tax credit certificate for investment in a private venture capital fund include the following.

~~A. A tax credit certificate may be issued in an amount not more than 30% of the amount of cash actually invested in a private venture capital fund in any calendar year. A tax credit certificate may be issued to an individual who invests in a private venture capital fund in an amount that:~~

(1) Is not more than 30% of the amount of cash actually invested in a private venture capital fund in any calendar year by the individual; and

(2) Does not exceed 30% of the amount of cash invested by the fund in eligible businesses.

The aggregate amount of credits issued to investors in a fund may not exceed 30% of the amount of cash invested by the fund in eligible businesses.

~~B. Each state business in which the private venture capital fund invests must be a manufacturer; must provide a service that is sold or rendered, or is projected to be sold or rendered, predominantly outside of the State; or must bring capital into the State, as determined by the authority. As~~

used in this subsection, unless the context otherwise indicates, an "eligible business" means a business located in the State that:

- (1) Is a manufacturer;
- (2) Is engaged in the development or application of advanced technologies;
- (3) Provides a service that is sold or rendered, or is projected to be sold or rendered, predominantly outside of the State; or
- (4) Brings capital into the State, as determined by the authority.

C. Aggregate investment eligible for tax credits may not be more than ~~\$600,000~~ \$1,000,000 for any one private venture capital fund as of the date of issuance of a tax credit certificate.

D. The investment with respect to which any individual is applying for a tax credit certificate may not be more than an aggregate of ~~\$100,000~~ \$200,000 in any one private venture capital fund in any 3 consecutive calendar years, except that this paragraph does not limit other investment by any applicant for which that applicant is not applying for a tax credit certificate.

E. Each business receiving an investment from a private venture capital fund, which investment is used as the basis for the issuance of a tax credit certificate, must have annual gross sales of \$2,000,000 or less and the operation of the business must be the full-time professional activity of the principal owner, as determined by the authority. The principal owner and principal owner's spouse are not eligible for a credit for investment in that business or the private venture capital fund. A tax credit certificate may not be issued to a parent, brother, sister or child of a principal owner if the parent, brother, sister or child has any existing ownership interest in ~~the~~ that business or in the private venture capital fund.

F. Each investment received by a business from a private venture capital fund, which investment is used as the basis for the issuance of a tax credit certificate, must be expended on plant maintenance and construction, equipment, research and development or working capital for the business or on such other business activity as may be approved by the authority.

G. The authority shall establish limits on repayment of the investment by an individual in and the investments made by a private venture capital fund, which investment is used as the basis for

the issuance of a tax credit certificate. The investments must be at risk in the private venture capital fund and the business, respectively.

H. The investors qualifying for the credit must collectively own less than 1/2 of the private venture capital fund and less than 1/2 of any business in which an investment is made by the private venture capital fund, which investment is used as the basis for the issuance of a tax credit.

See title page for effective date.

CHAPTER 775

S.P. 696 - L.D. 1931

An Act to Create Incentives for Employers to Contribute toward the Costs of Comprehensive Health Insurance for Families

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

Sec. 1. 36 MRSA §5219-O is enacted to read:

§5219-O. Credit for dependent health benefits paid

1. Credit allowed. A taxpayer constituting an employing unit that employs fewer than 5 low-income employees is allowed a credit to be computed as provided in this section against the tax imposed by this Part, subject to the limitations contained in subsections 3 and 4. The credit equals the lesser of 20% of dependent health benefits paid under a health benefit plan during the taxable year for which the credit is allowed or \$125 per employee. A taxpayer who received a credit under this section in the preceding year and whose number of low-income employees is 5 or more may continue to receive the credit for 2 years after the last year in which the number of low-income employees was fewer than 5.

2. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Dependent" means a dependent, as defined by Section 152 of the Code, who is under 19 years of age.

B. "Dependent health benefits" means health benefits and health insurance costs allowable as deductions to the employer under Section 105 of the Code, paid by the taxpayer on behalf of the taxpayer's low-income employees for the benefit of the employees' dependents.