

# MAINE STATE LEGISLATURE

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**LAWS**  
**OF THE**  
**STATE OF MAINE**

**AS PASSED BY THE**  
**ONE HUNDRED AND TWENTIETH LEGISLATURE**  
**FIRST REGULAR SESSION**  
**December 6, 2000 to June 22, 2001**

**THE GENERAL EFFECTIVE DATE FOR**  
**FIRST REGULAR SESSION**  
**NON-EMERGENCY LAWS IS**  
**SEPTEMBER 21, 2001**

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

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**J.S. McCarthy Company**  
**Augusta, Maine**  
**2001**

**2. Credit.** An investor is entitled to a credit against the tax otherwise due under this Part equal to the amount of the tax credit certificate issued by the Finance Authority of Maine in accordance with Title 10, section 1100-T and as limited by this section. In the case of partnerships, limited liability companies, S corporations, nontaxable trusts and any other entities that are treated as flow-through entities for tax purposes under the Code, the individual partners, members, stockholders, beneficiaries or equity owners of such entities must be treated as the investors under this section and are allowed a credit against the tax otherwise due from them under this Part in proportion to their respective interests in those partnerships, limited liability companies, S corporations, trusts or other flow-through entities. Except as limited or authorized by subsection 3 or 4, ~~50%~~ 15% of the credit must be taken in the taxable year the investment is made and ~~50%~~ 15% per year must be taken in each of the next ~~5~~ year years and 10% taken in the next taxable year.

**Sec. 5. Report.** The Finance Authority of Maine shall present a preliminary report to the joint standing committee of the Legislature having jurisdiction over taxation matters before January 1, 2002 and a final report before January 1, 2003. The reports must identify the number and value of tax credit certificates issued under the seed capital tax credit program and the number and types of businesses that benefited from investments eligible for the credit. To the extent that information is available the reports must identify the county or region of the State where investments are made.

**Sec. 6. Application.** This Act applies to tax credit certificates issued on or after the effective date of this Act for investments made on or after the effective date of this Act.

See title page for effective date.

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**CHAPTER 447**

**S.P. 376 - L.D. 1214**

**An Act to Encourage the Use of  
Locally Grown Foods in School Food  
Service Programs**

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

**Sec. 1. 20-A MRSA §6602, sub-§12** is enacted to read:

**12. Local Produce Fund.** The Local Produce Fund is established within the Department of Education. The fund is authorized to receive revenue from public and private sources. The fund must be held

separate and apart from all other money, funds and accounts. Any balance remaining in the fund at the end of the fiscal year must be carried forward to the next fiscal year. The fund must be used to match \$1 for every \$3 a school administrative unit pays for produce or minimally processed foods purchased directly from a farmer or farmers' cooperative in the State, to a maximum state contribution of \$1,000. At the end of the fiscal year, the school administrative unit may provide the department with receipts documenting purchases pursuant to this subsection during that year. For purposes of this subsection, "minimally processed" means only the washing, cleaning, trimming, drying, sorting and packaging of food items or a combination of those activities. Reimbursement or partial reimbursement to school administrative units may only be made up to the amount available in the fund. Failure to reimburse does not constitute an obligation on behalf of the State to a school administrative unit.

**Sec. 2. Allocation.** The following funds are allocated from Other Special Revenue funds to carry out the purposes of this Act.

**2002-03**

**EDUCATION, DEPARTMENT  
OF**

**Local Produce Fund**

All Other \$500

Provides an allocation to allow reimbursement of \$1 to local school administrative units for every \$3 of produce or minimally processed foods purchased directly from a farmer or farmers' cooperative in the State.

See title page for effective date.

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**CHAPTER 448**

**S.P. 433 - L.D. 1413**

**An Act to Transfer Administration of  
Certain Reimbursement Functions of  
the Workers' Compensation  
Employment Rehabilitation Fund to  
a Voluntary Coalition of Parties in  
Interest**

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