

MAINE STATE LEGISLATURE

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STATE OF MAINE
ONE HUNDRED AND THIRTEENTH LEGISLATURE
FIRST REGULAR SESSION

JOINT STANDING COMMITTEE ON
ECONOMIC DEVELOPMENT
BILL SUMMARY



JUNE 1987

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ONE HUNDRED AND THIRTEENTH LEGISLATURE
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JOINT STANDING COMMITTEE
BILL SUMMARIES
JUNE 1987

This document is a compilation of the bill summaries prepared by this office for the Joint Standing Committees and Joint Select Committees of the Maine Legislature. The summaries are arranged by LD number under each committee.

All Adopted Amendments are listed, by paper number (e.g., H-584 or S-222), together with the sponsor if it is a floor amendment or the designation "COMMITTEE" if it is a committee amendment.

Final action for each bill is listed to the right of the title. If final House action and Senate action differ, both are listed.

Please let us know if you would prefer a different format or additional information and if the summaries are helpful.

Key to Committee Reports and Floor Action:

OTP	Ought to Pass
OTP-ND	Ought to Pass in New Draft
OTP-ND-NT	Ought to Pass in New Draft, New Title
OTP-A	Ought to Pass as Amended
ONTP	Ought Not to Pass
LVWD	Leave to Withdraw
INDEF PP	Indefinitely Postponed

Sponsor: DILLENBACK, Perkins, Andrews, Crowley
Committee Report: New Draft of LD 1535

SUMMARY: The Finance Authority of Maine Act contains limitations on the use of financial assistance for office space. This new draft changes references from "office space" to "professional office space" and defines "professional" with reference to those professions regulated by state law, which includes, but is not limited to, accountants, architects, attorneys, financial institutions, insurance companies and medical professions. The changes will permit the authority to consider projects which might operate out of offices, but which serve the purpose of the Finance Authority of Maine Act in providing jobs and encouraging economic and technological development.

LD AN ACT TO CREATE THE DEPARTMENT OF ECONOMIC AND
1808 COMMUNITY DEVELOPMENT, TO ESTABLISH CONSISTENCY
AMONG ECONOMIC DEVELOPMENT LAWS AND TO
ESTABLISH A CAPITAL BUDGETING AND PLANNING
PROCESS (Reported Pursuant to Resolves, Chapt.
45 and 53 of 1985)

PL 1987
c. 393

Committee Report: New Draft of LD 1151
Amendments Adopted:
H-386 MCGOWAN
H-392 CROWLEY
S-201 USHER
S-258 PEARSON

SUMMARY: LD 1808, the new draft of LD 1151 is organized into 3 parts, as described below.

Part A

Part A relates to the creation of the Department of Economic and Community Development to consist of the following:

1. Office of Business Development
 - Encouraging expanded business investments in Maine communities
 - Providing Maine businesses with management and market assistance to encourage growth and expansion
 - Providing business information and referral services
 - Assisting foreign trade zones
 - Providing support to the promotion of Maine products
 - Industry-wide marketing assistance

2. Office of Community Development
 - Administering the Community Development Block Grant Program
 - Overseeing tax increment financing activities
 - Managing the Community Industrial Buildings Fund
 - Providing resources and assistance to local planning efforts
 - Providing resources and assistance to regional planning efforts

3. Office of Tourism
 - Tourism marketing and promotion
 - Encouraging group sales, meetings and conventions
 - Assisting tourism businesses
 - Assisting regional tourism programs
 - Maine State Film Commission to promote film making in Maine

4. Division of Development Policy
 - Market-driven research and analysis to support business development, community development and tourism
 - Development program evaluation
 - Demonstration program development

The term "office" is used in lieu of "bureau" in order to develop the image of the department as an efficient, important agency and not simply as another bureaucratic agency.

The Department of Economic and Community Development, by certifying local and regional economic development organizations, will provide convenient business assistance services through these organizations to businesses throughout the State. The department's Business Assistance Referral and Facilitation Program serves to facilitate and assist businesses with respect to economic development programs and with respect to working with state agencies. This program also serves to coordinate programs throughout State Government that affect business.

The Director of the Office of Business Development shall report any breakdown in the economic delivery system to the commissioner. In the event that the commissioner cannot correct the breakdown, the commissioner shall report it to the Governor.

The commissioner is required to monitor and evaluate the programs of the department and to make them consistent with

the state strategy. In addition, the commissioner is required to coordinate programs and services of the department and report any proposed changes or recommendations to the Governor.

The Office of Tourism is established to promote Maine's tourism industry and to promote Maine for filming activities.

The Office of Community Development is established to coordinate community development programs of the State, to provide resources to municipalities and regions to assist Maine's municipalities to develop strong economies. The Office of Community Development also serves to develop an effective communications system that links Maine's municipalities with the State's economic development organizations.

Part B

In Part B of LD 1808, the provisions of law relating to the Finance Authority of Maine are amended to require the authority to implement its programs and policies consistent with the state strategy and with the policies of the Department of Economic and Community Development.

The new draft also amends the provisions of law relating to the Maine Development Foundation. The Maine Revised Statutes, Title 10, section 917-A, of the Maine Development Foundation, which includes the following duties and responsibilities:

1. To bridge the knowledge and communications gap between the public and private sectors;
2. To conduct economic analyses;
3. To develop educational programs on the Maine economy;
4. To identify and develop specific economic opportunities in the State; and
5. To promote an improved business climate in the State.

LD 1808 also removes the provision authorizing the Maine Development Foundation to engage in debt and equity financing.

Part B also amends various parts of the Maine Revised Statutes to make these parts consistent with the provisions in this new draft.

Part C

Part C of the new draft proposed that a capital budget be prepared as a part of the biennial budget process. The budget would include all expenditures on capital facilities and equipment for the biennium and the revenues required to fund proposed capital projects. The Governor and the Legislature would be informed by the long-term capital needs identified in the capital plan.

The new draft also proposed a grant program for regional planning agencies to assist municipalities in preparing information for the capital plan.

The new draft also proposed a long-term 6 year, capital plan that would identify both state and local needs for capital facilities and equipment. In addition, trends in revenues to fund capital facility investments would be included. The plan also projects economic and demographic trends affecting the needs for state and local capital facilities.

The guidelines for capital budgeting and planning would be prepared for use by State Government and, where appropriate, local governments.

The new draft included funds of approximately \$140,000, to enable the State Planning Office to better monitor poverty and social conditions in Maine.

The new draft was amended to remove the capital budgeting and planning process and to remove the provisions for the collection and analysis of data to monitor poverty and social conditions in Maine. The capital budgeting and planning process as well as the monitoring of poverty and social conditions will be studied by executive branch agencies (Department of Finance, State Planning Office, and the new Department of Economic Development) which will report their findings to the Committee on Appropriations and Financial Affairs by February 1, 1988.

An Overview of the department

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT

- I DUTIES AND RESPONSIBILITIES
- A. Implement Policies and Programs in compliance with State economic development strategy
 - B. Work with other state local, and regional economic development organizations
 - 1. certify competent agencies private and public, to implement department programs
 - C. Communicate with private sector
 - D. Conduct planning and research

BUREAU OF BUSINESS ASSISTANCE

- 1. Provide business assistance services to businesses
 - a. managerial and technical assistance
 - b. completion of loan application
- 2. Publish a directory of licenses and permits
- 3. Business Assistance Referral and Facilitation Program
- 4. Monitor and certify local and regional economic development organizations

BUREAU OF MARKETING AND TOURISM

- 1. Promote Maine's goods and services national and international markets.
 - 2. International Trade and marketing assistance for Maine firms.
 - 3. Business attraction program.
 - 4. Market and product analyses.
 - 5. Propose marketing strategies.
 - 6. Promote tourism.
- | | | |
|-------------|------------|------------|
| Division | Division | Division |
| of Business | of Markets | of Tourism |
| Attraction | and Trade | |

BUREAU OF COMMUNITY DEVELOPMENT

- 1. Provide challenge grants to municipalities and local economic development organizations.
- 2. Develop remedial policies for economically distressed areas of the State.
- 3. Oversee community development programs.
- 4. Administer CDBG program.
- 5. Establish communications network with Maine's municipalities.