

MAINE STATE LEGISLATURE

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**STATE OF MAINE
119TH LEGISLATURE**

FIRST REGULAR SESSION

**BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BUSINESS AND ECONOMIC DEVELOPMENT**

JULY 1999

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Sen. Bruce W. MacKinnon*

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ONE HUNDRED NINETEENTH LEGISLATURE
FIRST REGULAR SESSION

Summary Of Legislation Before The Joint Standing and Select Committees
August 1999

We are pleased to provide this summary of all bills that were considered by the Joint Standing and Select Committees of the Maine Legislature this past session. The document is a compilation of bill summaries which describe each bill and relevant amendments, as well as the final action taken. Also included are statistical summaries of bill activity this session for the Legislature and each of its joint standing and select committees.

The document is organized for convenient reference to information on bills considered by the committees. It is organized by committees and within committees by bill (LD) number. The committee report(s), prime sponsor for each bill and the lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are listed by paper number. Two indices, a subject index and a numerical index by LD number are provided for easy reference to bills. They are located at the back of the document. A separate publication, History and Final Disposition of Legislative Documents, may also be helpful in providing information on the disposition of bills. These bill summaries also are available at the Law and Legislative Reference Library and on the Internet (www.state.me.us/legis/opla).

Final action on each bill is noted to the right of the bill title. The abbreviations used for various categories of final action are as follows:

CARRIED OVER.....Bill carried over to Second Regular Session
CON RES XXX..... Chapter # of Constitutional Resolution passed by both Houses
CONF CMTE UNABLE TO AGREE.....Committee of Conference unable to agree; bill died
DIED BETWEEN BODIES.....House & Senate disagree; bill died
DIED IN CONCURRENCE..... One body accepts ONTP report; the other indefinitely postpones the bill
DIED ON ADJOURNMENT.....Action incomplete when session ended; bill died
EMERGENCY..... Enacted law takes effect sooner than 90 days
ENACTMENT FAILED..... Bill failed to get vote required for enactment or final passage
NOT PROPERLY BEFORE THE BODY..... Ruled out of order by the presiding officers; bill died
INDEF PP.....Bill Indefinitely Postponed
ONTP..... Ought Not To Pass report accepted
OTP ND..... Committee report Ought To Pass In New Draft
OTP ND/NT..... Committee report Ought To Pass In New Draft/New Title
P&S XXX..... Chapter # of enacted Private & Special Law
PUBLIC XXX..... Chapter # of enacted Public Law
RESOLVE XXX..... Chapter # of finally passed Resolve
UNSIGNED.....Bill held by Governor
VETO SUSTAINED.....Legislature failed to override Governor's Veto

Please note the effective date for all non-emergency legislation enacted in the First Regular Session (unless otherwise specified in a particular law) is September 18, 1999.

LD 869

An Act to Amend Maine's Payroll Processing Laws

PUBLIC 172

<u>Sponsor(s)</u> PINGREE BERRY R	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> S-105
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LD 869 proposed to add a fidelity bond or liability insurance requirement for payroll processors who register with the State Tax Assessor.

Committee Amendment "A" (S-105) proposed to provide more specific information about the type of liability coverage required and changed the minimum amount of coverage payroll processors would be required to obtain. This amendment also added an effective date of January 1, 2000 and added a fiscal note to the bill.

Enacted law summary

Public Law 1999, chapter 172 requires each registered payroll processor to provide proof of fidelity bond, employee dishonesty bond, third-party fidelity coverage or liability insurance. Chapter 172 is effective January 1, 2000.

LD 941

An Act to Require That Certified Public Accounting and Public Accounting Firms Have a Majority of Their Owners Hold Certificates

PUBLIC 200

<u>Sponsor(s)</u> WINSOR	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> H-234
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LD 941 proposed to allow a minority of the owners of a certified public accounting or public accounting firm to be nonlicensed.

Committee Amendment "A" (H-234) proposed to clarify the requirements for nonlicensee owners of certified public accounting or public accounting firms. This amendment also added a fiscal note to the bill.

Enacted law summary

Public Law 1999, chapter 200 allows accounting firms with a minority of nonlicensed owners to apply for a permit to practice.

LD 949

An Act to Encourage Economic Development in the State

PUBLIC 504

<u>Sponsor(s)</u> KILKELLY	<u>Committee Report</u> OTP-AM	<u>Amendments Adopted</u> S-309 S-411 MICHAUD
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LD 949 proposed to amend the laws governing the Small Enterprise Growth Program to allow investments to be made in companies with sales not exceeding \$5,000,000 or 50 or fewer employees. This change would make the eligibility consistent with the Finance Authority of Maine's small business loan insurance program.

The bill would set terms of members of the Small Enterprise Growth Board at 2 years, rather than one year, with a maximum of 3 consecutive 2-year terms. It would increase the amount the board can invest in any recipient from

\$150,000 to \$500,000. It also would allow the board to obtain an equity or ownership interest in a recipient when the board determines that such an equity position would provide the most appropriate return on the board's investment in the enterprise.

The bill proposed to repeal the requirement that the Small Enterprise Growth Board only invest in enterprises that are not able to access sufficient financial assistance from a financial institution.

Finally, it proposed to amend the eligibility provision of the Agricultural Marketing Loan Fund to clarify that businesses engaged in the growing or harvesting of trees and the processing of wood into by-products or into raw materials for the papermaking process are ineligible for loans under the program.

Committee Amendment "A" (S-309) proposed to make the following changes to the bill:

1. It would require the Finance Authority of Maine to report annually to the Legislature on disbursements made under the Small Enterprise Growth Fund.
2. It would modify the requirement that matching funds obtained by a small business receiving an investment from the Small Enterprise Growth Fund must be at risk in the company for 5 years.
3. It would allow the authority to use the moral obligation of the State to assist businesses with expansion plans or plans to move to the State with revenues of over \$1,000,000, which would retain or create 50 jobs.
4. It would increase the maximum loan insurance the authority can provide for a retail business and remove limitations on the authority's ability to provide assistance to retail businesses.
5. It would correct an inconsistency in the Maine Seed Capital Tax Credit Program by making investments in technology-intensive businesses eligible for the tax credit when those investments are made directly in the business and not solely when made through a venture capital fund.
6. It would modify the definition of facility owner for applicants to the Fund Insurance Review Board to include related entities and individuals and clarify the time that the owner is determined for purposes of application to the fund.
7. It also added a fiscal note to the bill.

Senate Amendment "A" to Committee Amendment "A" (S-411) proposed to change the definition of "agricultural enterprise" for purposes of the Agricultural Marketing Loan Fund. This amendment also proposed to remove that portion of the committee amendment that modifies the definition of "facility owner" for applicants to the Fund Insurance Review Board.

Enacted law summary

Public Law 1999, chapter 504 makes changes to the Small Enterprise Growth Program, the Maine Seed Capital Tax Credit Program and the Agricultural Marketing Loan Fund. See also LD 2255 (Public Law 1999, chapter 531).

LD 952

An Act to Reduce Unsolicited Communications from the Internet

CARRIED OVER

Sponsor(s)
MILLS

Committee Report

Amendments Adopted

LD 952 is being carried over to the Second Regular Session of the 119th Legislature. The bill proposes to: