

MAINE STATE LEGISLATURE

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STATE OF MAINE
119TH LEGISLATURE

SECOND REGULAR SESSION

BILL SUMMARIES
JOINT STANDING COMMITTEE
ON
BUSINESS AND ECONOMIC DEVELOPMENT

JULY 2000

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ONE HUNDRED NINETEENTH LEGISLATURE
SECOND REGULAR SESSION

Summary Of Legislation Before The Joint Standing Committees
July 2000

We are pleased to provide this summary of 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:

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
FAILED EMERGENCY ENACTMENT/FINAL PASSAGE..... Emergency bill failed to get 2/3 vote
FAILED ENACTMENT/FINAL PASSAGE..... Bill failed to get majority vote
FAILED MANDATE ENACTMENT..... Bill imposing local mandate failed to get 2/3 vote
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 Second Regular Session (unless otherwise specified in a particular law) is August 11, 2000.

David E. Boulter, Director
Offices Located in the State House, Rooms 101 & 107

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
SHOREY CASSIDY	ONTP	

LD 1919 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to implement legislation to improve eastern Maine. It proposed to:

1. Improve the infrastructure, including the development of a rail line from Brewer to Eastport within 5 years and obtain appropriations to bring U.S. Route 1 from Steuben to Danforth up to national highway standards within 10 years;
2. Enhance existing businesses and encourage job growth by:
 - A. Creating an enterprise zone in Washington County. The enterprise zone would be based upon the former Job Opportunity Zones Act enacted in 1987 and repealed in 1993. The purpose of the enterprise zone is to establish a program of economic development incentives targeted to areas that are economically distressed or adversely affected by sudden or severe dislocation of the economy;
 - B. Creating a free-trade zone in Calais with an extension to Eastport. This would be similar to the current authorization given to the Loring Development Authority of Maine to apply for designation as a free port area by providing an exemption from stock-in-trade tax and other taxes and customs normally levied on personal property in transit; and
 - C. Providing a General Fund appropriation in the amount of \$50,000 annually to fund an economic development specialist position. The specialist would work under the direction of the Department of Economic and Community Development in rural communities in eastern Maine to create economic opportunities by working with local development organizations. The duties of the specialist would include providing grant writing assistance, business consultation and small business development recommendations;
3. Attract high-tech and high-wage jobs. This would be partially accomplished through the appropriation of \$150,000 to Washington County Technical College to expand technical education programs in industries needing technically skilled workers; and
4. Promote a stable economic environment through the review of current rules and regulations and taxes and making any necessary changes.

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
DAVIDSON	ONTP	

LD 1922 was carried over from the First Regular Session. It was a concept draft pursuant to Joint Rule 208 and proposed to establish an Internet policy for the State. The policy would include:

1. The facilitation of electronic commerce for Maine companies by:
 - A. Providing the same legal and binding status to transactions occurring over the Internet as to transactions in the traditional environment;
 - B. Requiring the Department of Economic and Community Development to establish and certify security procedures used to verify signatures, identity and the true form of a document or communication;
 - C. Providing support and encouraging effective industry self-regulation through the use of seals or other labels indicating that the business has been recognized as employing fair, honest and consumer friendly business practices;
 - D. Establishing a presence on the Internet where consumers may obtain information on the self-regulation program, common practices and conditions of electronic commerce and known consumer scams and frauds; and
 - E. Encouraging the establishment and growth of Maine-based digital enterprises by altering and extending current economic development incentives to the digital business environment.

2. Making government more accessible to the citizens by:
 - A. Requiring all state departments and agencies to expand service delivery and information gathering on an Internet-based platform at a minimum cost or no cost to users;
 - B. Providing assistance to state departments and agencies to ensure the expeditious implementation of the Internet policy;
 - C. Encouraging and supporting state and local governments, school systems and public libraries to pool their buying power to provide wider access at lower costs to information services and data bases purchased for public use or the provision of services to the public;
 - D. Directing state agencies to assist in the provision of affordable high speed Internet access in rural and underserved areas of the State;
 - E. Requiring the posting on the Internet of forms and information needed to interact with State Government, such as tax forms, registration forms and ballots;
 - F. Encouraging the timely posting on the agency or department web sites of information determined necessary or beneficial to the public; and
 - G. Amending the Freedom of Information Act to include the posting of requested documents or delivery through e-mail as a way of meeting Freedom of Information Act requirements;

3. The protection of consumer and citizen privacy by:
 - A. Establishing and enforcing an Internet privacy policy that includes the extension of current privacy laws to electronic transmissions, notice of what is to be done with information that the consumer or

user is providing, the right to opt out and a procedure to measure compliance with the policy. Information collected from a user would be limited to that which is necessary and relevant to the transaction and the user must be allowed the opportunity to verify and correct the information. Violation of the policy would be a crime;

- B. Protecting the privacy of children 13 years of age and younger;
 - C. Exercising criminal and civil jurisdiction over persons using Internet service providers or facilities located in Maine in violation of the policy; and
 - D. Permitting citizens to use an appropriate level of encryption to protect the privacy and security of their communications over the Internet, except for the use of encryption to avoid detection in the commission of an illegal act;
4. The mitigation of unsolicited bulk e-mail or spamming by:
- A. Defining spamming and providing appropriate criminal penalties;
 - B. Clarifying that the use of an Internet service provider's facilities and computer network located in Maine subjects the user to Maine jurisdiction;
 - C. Establishing theft of services crimes for the unauthorized or fraudulent use of e-mail header information in connection with the transmission of unsolicited bulk e-mail or obtaining an Internet service provider account for the purpose of gathering e-mail addresses for the purpose of spamming; and
 - D. Establishing civil and criminal penalties for persons who assist spamming by facilitating the transmission of falsified e-mail or the distribution of specially designed software that aids spamming;
5. The regulation of hate mail and pornography by:
- A. Directing an appropriate agency to establish a web site through which information and recommendations are provided to parents, guardians, local officials and others on specific problems involving the protection of children from inappropriate material over the Internet;
 - B. Requiring all public and publicly funded institutions to establish a management system and policy for Internet access within their institutions;
 - C. Making it at least a Class C crime for the on-line dissemination of obscene or harmful material for the purpose of inducing children to engage in or perform sexual acts; and
 - D. Making it at least a Class C crime to post on a pornographic Internet site information about a child's identity; and
6. The regulation of other crimes by:
- A. Clarifying that a crime in the nondigital domain is a crime in the electronic environment;

- B. Empowering law enforcement agencies to establish procedures for the investigation and prosecution of crimes committed using the Internet;
- C. Amending the rules of evidence to include Internet-related activities; and
- D. Requiring law enforcement agencies to establish Internet sites to receive reports of suspected illegal activities over the Internet.

LD 1931

An Act to Amend the Franchise Law

**PUBLIC 766
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
LAFOUNTAIN	OTP-AM	S-554 S-787 MICHAUD

LD 1931 was carried over from the First Regular Session. It proposed to amend certain provisions of the law pertaining to automobile manufacturers, franchisees and other dealers to ensure fair treatment of all dealers.

Committee Amendment "A" (S-554) proposed to replace the original bill. The amendment proposed to amend certain provisions of the law pertaining to automobile manufacturers and dealers. It would have added an additional action that would have been considered an unfair method of competition and deceptive practice. It would have put certain limits on a franchisor's ability to exercise a right of first refusal. It would have added a corporate affiliate of a manufacturer, distributor or wholesaler to the list that cannot offer discounts without making the same offer to all dealers in the market area. Finally, it would have provided that a franchisor could not recover its cost for reimbursing a franchisee for parts and labor provided in satisfaction of a warranty.

Senate Amendment "B" to Committee Amendment "A" (S-787) proposed to amend Committee Amendment "A" in the following ways:

1. It proposed to add an emergency preamble and an emergency clause;
2. It proposed to remove the part of Committee Amendment "A" that proposed to prohibit a franchisor from recovering its cost for reimbursing a franchisee for parts and labor provided in satisfaction of a warranty;
3. It proposed to establish the Commission to Study the Most Effective Method of Providing Retail Rate Reimbursement for Parts and Labor to study how to most effectively implement the retail rate reimbursement provisions of the Maine Revised Statutes, Title 10, section 1176 while protecting the interests of consumers of warranty and nonwarranty repair services, the interests of franchisees in receiving retail rate reimbursement and the interests of franchisors. Under the amendment, the commission would have comprised 2 members of the Senate, appointed by the President of the Senate; 2 members of the House, appointed by the Speaker of the House; 2 franchised automobile dealers who are members of the Maine Auto Dealers Association; and one franchisor who is a member of the Alliance of Automobile Manufacturers;