

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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Staff:

Susan Johannesman, Legislative Analyst

*Office of Policy and Legal Analysis
Room 101/107/135, 13 State House Station
Augusta, ME 04333
(207)287-1670*



Maine State Legislature
OFFICE OF POLICY AND LEGAL ANALYSIS

13 State House Station, Augusta, Maine 04333-0013
Telephone: (207) 287-1670
Fax: (207) 287-1275

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.

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
KONTOS	OTP-AM MAJ OTP-AM MIN	S-356

LD 2219 proposed to clarify the private and special law that was enacted by the 118th Maine Legislature in 1997 creating the Kennebec Regional Development Authority.

1. The bill proposed to clarify that the communities that are presently part of the Kennebec Valley Economic Development District are eligible to become participating members of the Kennebec Regional Development Authority.
2. The bill proposed to add a specific statement to the law that would be placed on any bond, note or other obligation issued by the authority, that those bonds, notes and other obligations do not constitute a debt or liability of the State or any participating city, town or plantation and do not constitute a pledge of the faith and credit of the State or any participating city, town or plantation. The bill also proposed to add a provision that authorizes the authority to issue bonds, notes or other obligations to the Finance Authority of Maine.
3. The bill proposed to make it clear that elections or a referendum are only required in the event that the provisions of a charter of a city, town or plantation require such election or referendum. The bill also indicated that, in those instances where a city, town or plantation has a charter with provisions relevant to the vote being taken under the private and special law, those charter provisions determine whether the vote must be taken at a council meeting, town or plantation meeting or through a city, town or plantation election or referendum.

Committee Amendment "A" (S-356) was the majority report. It proposed to require the general assembly of the Kennebec Regional Development Authority to submit to the Legislature an annual report on the activities of the authority. This amendment also added a fiscal note to the bill.

Committee Amendment "B" (S-357) was the minority report. It proposed to delete the provision that bonds, notes and other obligations of the Kennebec Regional Development Authority are eligible for purchase pursuant to the Maine Revised Statutes, Title 30-A, chapter 225 and it proposed to delete the provision that declares the authority is a single "governmental unit." The amendment also proposed to delete the provision that authorizes the authority to issue bonds, notes or other obligations to the Finance Authority of Maine. The amendment also requires the general assembly of the authority to submit to the Legislature an annual report on the activities of the authority. This amendment also added a fiscal note to the bill.

This amendment was not enacted.

Enacted law summary

Private and Special Law 1999, chapter 38 contains the following three clarifications to the private and special law that was enacted by the 118th Maine Legislature in 1997 creating the Kennebec Regional Development Authority.

1. It clarifies that the communities that are presently part of the Kennebec Valley Economic Development District are eligible to become participating members of the Kennebec Regional Development Authority.

2. It adds a specific statement to the law that would be placed on any bond, note or other obligation issued by the authority, that those bonds, notes and other obligations do not constitute a debt or liability of the State or any participating city, town or plantation and do not constitute a pledge of the faith and credit of the State or any participating city, town or plantation. It also adds a provision that authorizes the authority to issue bonds, notes or other obligations to the Finance Authority of Maine.
3. It makes it clear that elections or a referendum are only required in the event that the provisions of a charter of a city, town or plantation require such election or referendum. It also provides that, in those instances where a city, town or plantation has a charter with provisions relevant to the vote being taken under the private and special law, those charter provisions determine whether the vote must be taken at a council meeting, town or plantation meeting or through a city, town or plantation election or referendum.

Chapter 38 also requires the general assembly of the Kennebec Regional Development Authority to submit to the Legislature an annual report on the activities of the authority.

Chapter 38 takes effect immediately upon acceptance by the cities, towns and plantations so voting approval and having a combined state valuation of at least \$3,000,000,000.

LD 2222

An Act to Retain Jobs at Paper Production Facilities in the State

**PUBLIC 484
EMERGENCY**

<u>Sponsor(s)</u>	<u>Committee Report</u>	<u>Amendments Adopted</u>
MICHAUD CLARK	OTP-AM	S-373

LD 2222 proposed to expand the Finance Authority of Maine's ability to support employee purchases of paper industry assets in the State by:

1. Adding any paper industry job retention project to the list of eligible projects;
2. Defining "paper industry job retention project";
3. Listing the criteria for a certificate of approval for a paper industry job retention project; and
4. Limiting the principal amount of revenue obligation securities the Finance Authority of Maine may have outstanding in conjunction with a paper industry job retention project.

Committee Amendment "A" (S-373) proposed to modify the definition of a paper industry job retention project to require that not less than 40% ownership of the project be by or on behalf of a majority of the employees in the form of an employee stock ownership program or other plan recognized in the federal Internal Revenue Code. This amendment also proposed to amend the bill by conforming the factors the Finance Authority of Maine must consider when evaluating a project to those the Finance Authority of Maine must consider when evaluating a major business expansion project.

This amendment proposed to allow the Finance Authority of Maine to engage independent consultants at the expense of the borrower to assist in evaluating the credit risk of the proposed project. This amendment also proposed to delete the provision that defined contractual labor cost reductions as equity and replace it with a provision stating that the owner must make an important equity contribution to the project at the time of financing and that total state assistance for the project may not exceed \$25,000,000 plus 50% or 70% of the project costs in excess of \$25,000,000.