

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from electronic originals
(may include minor formatting differences from printed original)

STATE OF MAINE
124TH LEGISLATURE
SECOND REGULAR SESSION



Summaries of bills, adopted amendments and laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature coming from the

**JOINT STANDING COMMITTEE ON BUSINESS, RESEARCH
AND ECONOMIC DEVELOPMENT**

April 2010

MEMBERS:

SEN. ELIZABETH M. SCHNEIDER, CHAIR
SEN. NANCY B. SULLIVAN
SEN. CHRISTOPHER W. RECTOR

REP. NANCY E. SMITH, CHAIR
REP. RICHARD C. CLEARY
REP. W. BRUCE MACDONALD
REP. THOMAS J. WRIGHT
REP. JOAN F. COHEN
REP. ROBERT B. HUNT
REP. JAMES R. MARTIN
REP. JAYNE CROSBY GILES
REP. SUSAN M.W. AUSTIN
REP. KERRI L. PRESCOTT

STAFF:

NATALIE L. HAYNES, LEGISLATIVE ANALYST
OFFICE OF POLICY AND LEGAL ANALYSIS
13 STATE HOUSE STATION
AUGUSTA, ME 04333
(207) 287-1670

STATE OF MAINE

124TH LEGISLATURE
SECOND REGULAR SESSION



LEGISLATIVE DIGEST OF BILL SUMMARIES AND ENACTED LAWS

This *Legislative Digest of Bill Summaries and Enacted Laws* summarizes all bills and adopted amendments and all laws enacted or finally passed during the Second Regular Session of the 124th Maine Legislature.

The *Digest* is arranged alphabetically by committee and within each committee by LD number. The committee report(s), prime sponsor and lead co-sponsor(s), if designated, are listed below each bill title. All adopted amendments are summarized and listed by paper number. A subject index is included with each committee. The appendices include a summary of relevant session statistics, an index of all bills by LD number and an index of enacted laws by law type and chapter number.

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:

| | |
|---|--|
| <i>CARRIED OVER</i> | <i>Carried over to a subsequent session of the Legislature</i> |
| <i>CON RES XXX</i> | <i>Chapter # of Constitutional Resolution passed by both Houses</i> |
| <i>CONF CMTE UNABLE TO AGREE</i> | <i>Committee of Conference unable to agree; bill died</i> |
| <i>DIED BETWEEN HOUSES</i> | <i>House & Senate disagree; bill died</i> |
| <i>DIED IN CONCURRENCE</i> | <i>One body accepts ONTP report; the other indefinitely postpones the bill</i> |
| <i>DIED ON ADJOURNMENT</i> | <i>Action incomplete when session ended; bill died</i> |
| <i>EMERGENCY</i> | <i>Enacted law takes effect sooner than 90 days</i> |
| <i>FAILED EMERGENCY ENACTMENT/FINAL PASSAGE</i> | <i>Emergency bill failed to get 2/3 vote</i> |
| <i>FAILED ENACTMENT/FINAL PASSAGE</i> | <i>Bill failed to get majority vote</i> |
| <i>FAILED MANDATE ENACTMENT</i> | <i>Bill imposing local mandate failed to get 2/3 vote</i> |
| <i>NOT PROPERLY BEFORE THE BODY</i> | <i>Ruled out of order by the presiding officers; bill died</i> |
| <i>INDEF PP</i> | <i>Bill Indefinitely Postponed; bill died</i> |
| <i>ONTP (or Accepted ONTP report)</i> | <i>Ought Not To Pass report accepted; bill died</i> |
| <i>P&S XXX</i> | <i>Chapter # of enacted Private & Special Law</i> |
| <i>PUBLIC XXX</i> | <i>Chapter # of enacted Public Law</i> |
| <i>RESOLVE XXX</i> | <i>Chapter # of finally passed Resolve</i> |
| <i>UNSIGNED</i> | <i>Bill held by Governor</i> |
| <i>VETO SUSTAINED</i> | <i>Legislature failed to override Governor's Veto</i> |

The effective date for non-emergency legislation enacted in the Second Regular Session of the 124th Legislature is Monday, July 12, 2010. The effective date for legislation enacted as an emergency measure is specified in the enacted law summary for those bills.

Joint Standing Committee on Business, Research and Economic Development

LD 1

An Act To Stimulate Capital Investment for Innovative Businesses in Maine

PUBLIC 633

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| MILLS P | OTP-AM MAJ ONTP MIN | S-378 |

This bill was carried over from the First Regular Session of the 124th Legislature by joint order, H.P. 1053. The bill is modeled on statutes in Arkansas, Iowa, Michigan, Montana and Utah. It authorizes the establishment of the Maine Fund of Funds within the Small Enterprise Growth Board for the purpose of increasing the availability of venture capital to the Maine economy. The fund is managed by a director chosen by the Small Enterprise Growth Board by means of a competitive selection. The Small Enterprise Growth Board has authority to close the fund if necessary to protect the State's interests. The board raises capital for the fund by offering as security refundable tax credits issued by the board, with the goal of attracting venture capital investment in the State's economy. The board maintains regulatory control over the fund. The bill requires annual audits and reports on the fund.

The goal of the fund is to create investments in the Maine economy, which is broadly described as including the development of intellectual capital as well as job creation. The director may invest outside of the State as necessary to maximize returns and reduce the likelihood that tax credits will be redeemed. The bill provides that net profits from the fund after payment of obligations must be remitted to the General Fund. It also provides the Maine Public Employees Retirement System a preference in becoming a lender of capital and a special provision that the Maine Public Employees Retirement System may be granted a piece of the profits as an additional inducement to becoming a capital lender. Tax credits may not be redeemed for defaults occurring later than 2031, and the bill restricts tax credit redemption to \$10,000,000 per year.

Committee Amendment "A" (S-378)

This amendment is the majority report of the committee and it replaces the bill with a smaller initiative to encourage, but not require, the Maine Public Employees Retirement System to invest in venture capital funds that are seeking to invest in Maine businesses in the targeted technology sectors. The amendment establishes an innovation finance program authorizing the Finance Authority of Maine to approve refundable tax credits equal to up to 80% of certain investments by the retirement system in venture capital funds that the authority determines will give strong consideration to investing in Maine businesses. Tax credits under this program are limited to \$20,000,000. No more than \$4,000,000 of tax credits may be placed at risk with respect to any single venture capital fund. The amendment includes a recapture provision where if the retirement system redeems a credit and subsequently achieves an aggregate annual return in excess of 8% on all investments under the program, it is required to return the excess to the State until it has reimbursed the credits redeemed. It also adds an exception from the laws governing public records by allowing the retirement system to protect the confidentiality of information that could impair the ability of the retirement system to obtain such information in the future or that could cause substantial harm to the retirement system or that could cause substantial harm to the venture capital funds into which the retirement system invests under the innovation finance program.

Enacted Law Summary

Public Law 2009, chapter 633 establishes an innovation finance program to encourage, but not require, the Maine Public Employees Retirement System to invest in venture capital funds that are seeking to invest in Maine businesses in the targeted technology sectors. The innovation finance program authorizes the Finance Authority of Maine to approve refundable tax credits equal to up to 80% of certain investments by the retirement system in venture capital funds that the authority determines will give strong consideration to

Joint Standing Committee on Business, Research and Economic Development

investing in Maine businesses. Tax credits under this program are limited to \$20,000,000. No more than \$4,000,000 of tax credits may be placed at risk with respect to any single venture capital fund. The law includes a recapture provision where if the retirement system redeems a credit and subsequently achieves an aggregate annual return in excess of 8% on all investments under the program, it is required to return the excess to the State until it has reimbursed the credits redeemed. It also adds an exception from the laws governing public records by allowing the retirement system to protect the confidentiality of information that could impair the ability of the retirement system to obtain such information in the future or that could cause substantial harm to the retirement system or that could cause substantial harm to the venture capital funds into which the retirement system invests under the innovation finance program.

LD 91 An Act To Fund the Maine Downtown Center

P & S 42

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|-------------------|-------------------------|---------------------------|
| WATSON GOODALL | OTP-AM | H-607 |

This bill was carried over from the First Regular Session of the 124th Legislature by joint order, H.P. 1053. This bill includes ongoing General Fund appropriations of \$75,000 per year to recapitalize the Maine Downtown Center.

Committee Amendment "B" (H-607)

This amendment strikes the appropriations and allocations section of the bill and replaces it with a one-time appropriation to the Executive Department, State Planning Office to recapitalize the Maine Downtown Center.

Enacted Law Summary

Private and Special Law 2009, chapter 42 provides a one-time appropriation to the Executive Department, State Planning Office to recapitalize the Maine Downtown Center.

LD 272 An Act To License Home Building and Improvement Contractors

**DIED BETWEEN
HOUSES**

| <u>Sponsor(s)</u> | <u>Committee Report</u> | <u>Amendments Adopted</u> |
|------------------------|-------------------------|---------------------------|
| MACDONALD SCHNEIDER | ONTP MAJ OTP-AM MIN | |

This bill was carried over from the First Regular Session of the 124th Legislature pursuant to Joint Order H.P. 1053. This bill creates the Maine Home Contractor Licensing Act. The bill contains provisions concerning: requirements for licensure of general contractors and persons who perform framing, roofing, siding, insulating, window work or chimney work, if the work concerns residential dwellings; certain specific exemptions from licensure; required qualifications for general and specialty licenses; requirements for criminal and financial disclosures; creation of the Maine Home Contractor Licensing Board; and fees for licensing.

Committee Amendment "A" (H-760)

This amendment is the minority report of the committee and it replaces the bill. It creates the Maine Residential Builders and Specialty Contractors Act and establishes the Maine Residential Builders and Specialty Contractors Board within the Department of Professional and Financial Regulation, Office of Licensing and Registration.