

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

An Act To Enhance the Small Enterprise Growth Fund

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 10 MRSA §382, sub-§3, as enacted by PL 1995, c. 699, §3, is amended to read:

3. Program. "Program" means the Small Enterprise Growth Program, which encompasses the Small Enterprise Growth Fund and any side fund created by the board.

Sec. 2. 10 MRSA §382, sub-§3-A is enacted to read:

3-A. Program funds. "Program funds" means the Small Enterprise Growth Fund and any side funds created by the board.

Sec. 3. 10 MRSA §382, sub-§5 is enacted to read:

5. Side fund. "Side fund" means a fund other than the Small Enterprise Growth Fund administered by the board that is invested as determined by the board.

Sec. 4. 10 MRSA §383, as enacted by PL 1995, c. 699, §3, is amended to read:

§ 383. Program funds established

1. Creation of fund. There is established the Small Enterprise Growth Fund, which is a revolving fund used to provide funding for disbursements to qualifying small businesses in the State seeking to pursue an eligible project. The fund must be deposited with and maintained and administered by the Finance Authority of Maine and consists of appropriations provided for that purpose, interest accrued on the fund balance, funds received by the board to be applied to the fund, all funds remaining in the Pine Tree Partnership Fund and any funds received from repayment, interest, royalties, equities or other interests in business enterprises, products or services. The fund is a nonlapsing fund.

1-A. Creation of side funds. The board may create one or more side funds for placement of certain funds received by the board. A side fund may be structured as a revolving fund in addition to the Small Enterprise Growth Fund or as a fund in which the investor will have funds drawn and returned over an agreed time period.

2. Administrative expenses. Costs and expenses of maintaining and servicing the fundprogram funds and administering the Small Enterprise Growth Program established by this chapter may be paid out of amounts in the fundprogram funds.

3. Management fees. The board may charge and accept management fees for management of money placed in program funds other than money placed directly by the State.

4. Agreements. The board may enter into an agreement or contract with a 3rd party for investment in a side fund. The board may allocate ownership in a side fund through the agreement. The board may also repay money received and return profits according to terms in the agreement. The board may create a formula or terms for the sharing of profits on a side fund in the agreement.

5. Profits. The profits on a side fund retained by the board must be contributed to the fund.

Effective 90 days following adjournment of the 124th
Legislature, Second Regular Session, unless otherwise indicated.