

STATE OF MAINE

In House _____

ORDERED, the Senate concurring, that the Task Force To Study the Creation of a State of Maine Partnership Bank or Other Maine Financial Structures is established as follows.

1. Task Force To Study the Creation of a State of Maine Partnership Bank or Other Maine Financial Structures established. The Task Force To Study the Creation of a State of Maine Partnership Bank or Other Maine Financial Structures, referred to in this order as "the task force," is established.

2. Membership. Notwithstanding Joint Rule 353, the task force consists of 17 members appointed as follows:

1. Four members of the Senate, appointed by the President of the Senate;
2. Five members of the House of Representatives, appointed by the Speaker of the House;
3. The Chief Executive Officer of the Finance Authority of Maine, or a designee;
4. The Treasurer of State, or a designee;
5. The Superintendent of Financial Institutions, or a designee;
6. Three representatives of Maine-based community banks, appointed by the President of the Senate as follows:
 - A. One representative of a Maine-based community bank with \$1 billion or more in assets that is recognized for its significant support of Maine businesses and service to its community;
 - B. One representative of a Maine-based community bank with assets ranging from \$500 million to \$1 billion that is recognized for its significant support of Maine businesses and service to its community; and
 - C. One representative of a Maine-based community bank with assets up to \$500 million that is recognized for its significant support of Maine businesses and service to its community;
7. One representative of a Maine-based credit union that is recognized for its significant support of Maine businesses and service to its community, appointed by the Speaker of the House; and
8. One representative of a community development financial institution, appointed by the Speaker of the House.

3. Task force chairs. The first-named Senate member is the Senate chair and the first-named House of Representatives member is the House chair of the task force.

4. Appointments; convening of task force. All appointments must be made no later than 30 days following passage of this order. The appointing authorities shall notify the Executive Director of the Legislative Council once all appointments have been completed. After the

appointment of all members, the chairs shall call and convene the first meeting of the task force. If 30 days or more after the passage of this order a majority of but not all appointments have been made, the chairs may request authority and the Legislative Council may grant authority for the task force to meet and conduct its business.

5. Duties. The task force shall explore the possibility of establishing and operating a State of Maine Partnership Bank or other financial structures, which must be specifically designed to:

1. Support and partner with financial institutions that are headquartered in the State or are locally owned, or both, in order to provide access to capital for small businesses and family farmers in the State;

2. Enable public and private funds to be retained within the State;

3. Facilitate the increased investment of state resources in high-quality, in-state investments, such as loans to local businesses, family farmers and homeowners; and

4. Enable the State to leverage short-term deposits to facilitate more loans flowing through locally owned financial institutions while retaining within the State the interest payments paid by borrowers.

In carrying out its duties, the task force shall also consult with stakeholders and experts, including, but not limited to, municipalities with municipal bond experience, farmers with recent loan experience, owners of local independent manufacturing and retail or service-oriented businesses with fewer than 25 employees with recent loan application experience and an economist with expertise in the state economy.

6. Evaluation criteria. In studying the possibility of establishing and operating a State of Maine Partnership Bank or other financial structures pursuant to section 5, the task force shall specifically consider and address:

1. Whether funding needs and opportunities in high-quality, in-state investments are not being met and, if so, whether a State of Maine Partnership Bank or other financial structures can meet those needs;

2. The scope of powers to be held by the State of Maine Partnership Bank or other financial structures with respect to the acceptance of deposits; the purchase, holding and sale of loans; and the restrictions on the origination of loans that would provide incentives for partnerships with locally owned financial institutions;

3. How a State of Maine Partnership Bank or other financial structures would be initially capitalized;

4. The ways profits from the State of Maine Partnership Bank or other financial structures could be used to fund the expansion of economic development tools administered by the Finance Authority of Maine to further improve the economy of the State;

5. The establishment of oversight measures to ensure transparency and accountability and insulation from political influence; and

6. Any other issues identified by the task force that are related to the consideration of establishing a State of Maine Partnership Bank or other financial structures.

7. Meetings. The task force shall hold at least 6 meetings and shall meet at least 3 times during each calendar year.

8. Staff assistance. The Legislative Council shall provide necessary staffing services to the task force, except that the Legislative Council staff support is not authorized when the Legislature is in regular or special session.

9. Report. Notwithstanding Joint Rule 353, no later than December 1, 2014, the task force shall submit a report that includes its findings and recommendations with any suggested legislation to the Legislative Council of the 126th Legislature.

SPONSORED BY: _____

(Representative PRINGLE)

TOWN: Windham