



# 128th MAINE LEGISLATURE

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S.P. 461

In Senate, April 6, 2017

### An Act To Establish the Maine Domestic Trade Center

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Reference to the Committee on Labor, Commerce, Research and Economic Development suggested and ordered printed.

A handwritten signature in black ink, reading 'Heather J.R. Priest'.

HEATHER J.R. PRIEST  
Secretary of the Senate

Presented by Senator CARPENTER of Aroostook.

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

2 **Sec. 1. 5 MRSA §13070-C, sub-§2**, as enacted by PL 1995, c. 648, §3, is  
3 amended to read:

4 **2. Duties.** The International Trade Director shall implement the State's policies with  
5 respect to development of international trade opportunities for the State's businesses and  
6 citizens. The director shall serve as the State's diplomat and shall advocate within the  
7 State and abroad on behalf of the State and the State's international community.

8 The director shall serve as the president of the Maine International Trade Center upon  
9 confirmation by the center's Board of Directors of the Maine International Trade Center.  
10 The director shall oversee activities of the center and has the duties and responsibilities as  
11 provided in Title 10, chapter 107-B. The director shall also serve as the president of the  
12 Maine Domestic Trade Center, established in Title 10, chapter 107-E, upon confirmation  
13 by the center's Board of Directors of the Maine Domestic Trade Center. The director  
14 shall oversee activities of the Maine Domestic Trade Center and has the duties and  
15 responsibilities as provided in Title 10, chapter 107-E.

16 **Sec. 2. 10 MRSA c. 107-E** is enacted to read:

17 **CHAPTER 107-E**

18 **MAINE DOMESTIC TRADE CENTER**

19 **§949-A. Maine Domestic Trade Center**

20 **1. Establishment.** The Maine Domestic Trade Center, referred to in this chapter as  
21 "the center," is established to enhance the competitive advantage of the State's businesses  
22 desiring to compete in the domestic market. The center provides a source of leadership,  
23 coordination and a shared vision for interstate trade development in the State. The  
24 purpose of the center, through its cooperative public and private board of directors,  
25 established in subsection 4, is to help the State's businesses, particularly the State's small  
26 businesses, to innovate, grow and create new jobs by providing and enhancing services,  
27 in coordination with the economic development activities of the private sector,  
28 community and regional agencies and State Government, to facilitate the export of goods  
29 and services to other states.

30 The center is a private nonprofit corporation with a public purpose and the exercise by the  
31 center of the powers conferred by this chapter is held to be an essential governmental  
32 function.

33 **2. Duties.** The center shall provide to private entities, individuals, the State and  
34 quasi-public and public entities a base level of services without regard to membership in  
35 the center and enhanced services as the center's board of directors may direct. The center  
36 shall encourage and assist the growth of the State's domestic economic activities in the  
37 following ways.

38 A. The center shall provide a continuing forum for the exchange of expertise, ideas  
39 and innovations between the public and private sectors.

1 B. The center shall offer high-quality education and technical services to businesses  
2 in the State that compete or seek to compete in the interstate market.

3 C. The center shall act as a catalyst in the development and coordination of programs  
4 to improve exports of goods and services to the interstate market.

5 D. The center shall underscore the importance of interstate trade as a priority of  
6 public policy and shall enhance public appreciation of the relevance of the interstate  
7 economy.

8 E. The center shall provide information necessary to transact business in other states  
9 and to make effective decisions concerning interstate trade and policy.

10 F. The center shall support the development and availability of an overall  
11 infrastructure conducive to interstate business.

12 G. The center shall identify market opportunities and potential contracts in other  
13 states that match the technologies and expertise available in the State and coordinate  
14 and submit appropriate proposal responses.

15 H. The center shall maintain an interstate commerce database to assist in making  
16 program decisions.

17 **3. Members.** Members are the private individuals, partnerships, firms, corporations,  
18 governmental entities and other organizations that pay dues to the center. For the  
19 purposes of this chapter, members may include, but are not limited to, municipal and  
20 county governments, councils of government, local and area development corporations,  
21 regional planning commissions, development districts, state agencies, higher educational  
22 facilities, including the University of Maine System, the Maine Maritime Academy,  
23 private colleges and the Maine Community College System, and other public or quasi-  
24 public entities. The following 7 public organizations are granted membership by virtue of  
25 the State's contributions to the organizations and are exempt from dues requirements and  
26 each is entitled to designate one individual to exercise its voting right: the Department of  
27 Agriculture, Conservation and Forestry; the Governor's Office of Policy and  
28 Management; the Finance Authority of Maine; the Department of Labor; the Department  
29 of Marine Resources; the Department of Economic and Community Development; and  
30 the Department of Transportation.

31 Memberships may be set at different levels. Members shall elect 7 members to the board  
32 of directors of the center pursuant to subsection 4. All members have a vote in the affairs  
33 of the center as set forth in the bylaws of the center, except that when the member is an  
34 organization and not an individual the governing body of that organization shall designate  
35 the individual who is to exercise the voting right.

36 **4. Board of directors and officers.** The Board of Directors of the Maine Domestic  
37 Trade Center, referred to in this chapter as "the board of directors," consists of 12 voting  
38 directors elected or appointed as provided in this subsection. Each director is entitled to  
39 one vote. Directors' terms must be staggered as determined in the bylaws of the center.

40 The state representative of the United States Department of Commerce and the state  
41 representative of the United States Small Business Administration may serve as  
42 nonvoting ex officio directors.

1 The members shall elect 7 directors from among the center's dues-paying membership.  
2 The Governor shall appoint 5 directors, one of whom must be the International Trade  
3 Director at the Department of Economic and Community Development. The other 4  
4 directors must have business or professional experience. The board of directors shall  
5 elect the chair and the vice-chair of the board of directors and the treasurer of the center  
6 from among the directors.

7 **5. President.** The International Trade Director at the Department of Economic and  
8 Community Development shall serve as the president of the center upon confirmation by  
9 a majority of the board of directors. Once every 2 years, the Governor shall submit the  
10 International Trade Director's name to the board of directors for reappointment.  
11 Reappointment is subject to confirmation by a majority of the board of directors. The  
12 president shall:

13 A. Serve as the liaison between the board of directors and the center;

14 B. Manage the center's programs and services;

15 C. Ensure that the center's programs reflect the policy and management decisions of  
16 the board of directors;

17 D. Coordinate all services to continually meet the needs of the center as described in  
18 the strategic plan for the State;

19 E. Play a leadership role in coordinating, facilitating and helping to prioritize both  
20 the short-term and long-term recommendations of the strategic plan;

21 F. Serve as the State's representative, providing leadership in the area of domestic  
22 trade and advocating within the State and in other states on behalf of the State's  
23 business community; and

24 G. Perform such other duties as the board of directors considers appropriate.

25 **6. Powers.** The center may:

26 A. Sue or be sued in its own name;

27 B. Apply for and receive funds from any private source or governmental entity,  
28 whether by grant, donation, loan or any other manner;

29 C. Provide services to public or private entities to assist those entities' efforts in the  
30 development of domestic trade in the State and to charge such fees for these services  
31 as the center determines appropriate;

32 D. Subject to subsection 7, hire employees to assist in the administration of the  
33 center's work;

34 E. Purchase, receive, hold, lease, acquire by foreclosure, operate, manage, license,  
35 sell, convey, transfer or grant real and personal property, together with those rights  
36 and privileges that may be incidental and appurtenant to the real and personal  
37 property and the use of the real and personal property, including, but not limited to,  
38 any real or personal property acquired by the center from time to time in the  
39 satisfaction of debts or enforcement of obligations;

1 F. Make all expenditures and incur any obligations reasonably required in the  
2 exercise of sound business principles to secure possession of, preserve, maintain,  
3 insure and improve real and personal property or interests in real and personal  
4 property acquired by the center;

5 G. Acquire, subscribe for, own, hold, sell, assign, transfer, mortgage or pledge the  
6 stock, shares, bonds, debentures, notes or other securities and evidences of interest in  
7 or indebtedness of any person, firm, corporation, joint stock company, partnership,  
8 association or trust and, while the owner or holder thereof, exercise all the rights,  
9 powers and privileges of ownership, including the right to vote thereon;

10 H. Mortgage, pledge or otherwise encumber any property right or thing of value  
11 acquired pursuant to the powers contained in paragraph E, F or G as security for the  
12 payment of any part of the purchase price of the property right or thing of value;

13 I. Make contracts, including contracts for services, and incur liabilities for any of the  
14 purposes authorized in those contracts;

15 J. Borrow money for any of the purposes authorized in this chapter; incur debt,  
16 including the power to issue the center's bonds, debentures, notes or other evidences  
17 of indebtedness, whether secured or unsecured; and secure the same by mortgage,  
18 pledge, deed of trust or other lien on the center's property, rights and privileges of  
19 every kind and nature, or any part thereof or interest therein; and

20 K. Cooperate with governmental agencies and the University of Maine System and  
21 cooperate, assist and encourage organizations, local or regional, private or public, in  
22 the communities of the State in the promotion, assistance and development of  
23 domestic trade in those communities and the State.

24 **7. Sharing of staff and facilities.** The Maine International Trade Center shall share  
25 facilities and provide staffing services for the center, within existing resources. The  
26 board of directors may vote to move the center to its own facilities and to hire additional  
27 employees for the center if the board of directors determines that the center has sufficient  
28 financial resources to do so without compromising the center's effectiveness.

29 **8. Adoption of bylaws.** The center shall adopt bylaws consistent with this chapter  
30 for the governance of its affairs and has the general powers accorded corporations under  
31 Title 13-C, section 302. The center shall take all actions necessary or convenient to carry  
32 out the lawful purposes of the center under this chapter.

33 **9. Limitation of powers.** The center may not enter into contracts, obligations or  
34 commitments of any kind on behalf of the State or any of its agencies, nor may it have the  
35 power of eminent domain or any other power not provided to business corporations  
36 generally. Bonds, notes and other evidences of indebtedness of the center may not in any  
37 way be a debt or liability of the State or constitute a pledge of the faith and credit of the  
38 State.

39 **10. Liability of officers, directors and employees.** All officers, directors,  
40 employees and other agents of the center, including employees of the Maine International  
41 Trade Center providing staffing assistance for the center, entrusted with the custody of  
42 the securities of the center or authorized to disburse the funds of the center must be

1 bonded, either by a blanket bond or by individual bonds, with a surety bond or bonds with  
2 a minimum limitation of \$100,000 coverage for each person covered by the surety bond,  
3 conditioned upon the faithful performance of duties, the premiums for which are paid out  
4 of the assets of the center.

5 **11. Prohibited interests of officers, directors and employees.** Officers, directors  
6 and employees of the center, including employees of the Maine International Trade  
7 Center providing staffing assistance for the center and their spouses or dependent  
8 children, may not receive any direct personal benefit from the activities of the center in  
9 assisting any private entity. This subsection does not prohibit corporations or other  
10 entities with which officers or directors are associated by reason of ownership or  
11 employment from participating in activities of the center or receiving services offered by  
12 the center as long as the ownership or employment is made known to the board of  
13 directors and, if applicable, the officers or directors abstain from voting on matters  
14 relating to that participation. This subsection does not apply to members who are not  
15 officers or directors of the center.

16 **12. Donations to State.** The State, through the Governor, may accept donations,  
17 bequests, devises, grants or other interests of any nature on behalf of the center and  
18 transfer those funds, property or other interests to the center.

19 **13. Confidential records.** The records and proceedings of the center are public for  
20 the purposes of Title 1, chapter 13, except for the following.

21 A. Information provided to or developed by the center and included in a business or  
22 marketing plan is public unless the person to whom the information belongs or  
23 pertains requests that it be designated as confidential and the center has determined it  
24 contains proprietary information. For the purposes of this subsection, "proprietary  
25 information" means information that is a trade secret or production, commercial or  
26 financial information the disclosure of which would impair the competitive position  
27 of the center or the person submitting the information and would make available  
28 information not otherwise publicly available.

29 B. Any financial statement, supporting data or tax return of any person is  
30 confidential.

31 C. Any record obtained by the center that contains an assessment of the  
32 creditworthiness, credit rating or financial condition of any person is confidential.

33 This subsection does not prohibit the disclosure of information that is otherwise available  
34 in the public domain.

35 **14. Annual report; audit.** The center shall provide an annual report and an  
36 independent audit of its activities by November 15th to the Governor, the joint standing  
37 committee of the Legislature having jurisdiction over economic development matters and  
38 the members of the center.

39 **15. General conditions; dissolution.** The center shall operate as a nonprofit  
40 organization consistent with its composition and broad public purposes. The following  
41 conditions apply to the operation or dissolution of the center.

1 A. No part of the net earnings of the center may inure to the benefit of any member,  
2 officer, director or employee, except that the center may pay reasonable  
3 compensation for services rendered and otherwise hold, manage and dispose of its  
4 property for the purposes of the center.

5 B. Upon dissolution of the center, the members shall transfer all unexpended General  
6 Fund appropriations to the State before paying or making provision for the payment  
7 of all other liabilities of the center.

8 **16. Liberal construction.** This chapter may be construed liberally to effect the  
9 intent and purposes of the center for an improved and enhanced domestic trade  
10 development effort in the State and may not be construed as a limitation of powers.

11 **SUMMARY**

12 This bill establishes the Maine Domestic Trade Center, a private nonprofit  
13 corporation with a public purpose. The center is charged with helping Maine businesses,  
14 particularly small businesses, to innovate, grow and create new jobs by providing and  
15 enhancing services to facilitate the export of goods and services from Maine to other  
16 states. The center will have a board of directors and the International Trade Director at  
17 the Department of Economic and Community Development shall serve as the president of  
18 the center. The center will share staffing support and facilities with the International  
19 Trade Center, but may hire its own staff and secure its own facilities upon approval of the  
20 board of directors.