

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-ONE

H.P. 625 - L.D. 857

**An Act To Create a Municipal Grant Program To Promote Sustainable
Economic Development**

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

Sec. 1. 5 MRSA §13073-C is enacted to read:

§13073-C. Municipal Grant Fund

The Municipal Grant Fund is established as a nonlapsing fund within the Office of Community Development. The Director of the Office of Community Development shall administer the Municipal Grant Fund, referred to in this section as "the fund." The fund may receive appropriations, allocations, grants or gifts from any federal agency or governmental subdivision or the State or its agencies.

1. Fund purpose. The purpose of the fund is to provide funding for municipalities for projects that further the goals of sustainable economic development as outlined by the Maine Economic Growth Council, established in Title 10, section 929-A and referred to in this section as "the council," in the council's annual "Measures of Growth" report, or successor report, and by the "Maine Economic Development Strategy 2020-2029," or successor economic development strategy for the State, as administered by the department.

2. Application process. The department shall adopt rules establishing an application process for municipalities for fund grants for the purposes set forth in this section.

3. Competitive procedure. Funds must be dispersed in accordance with a competitive, quality-based selection procedure as established and administered by the department.

4. Maximum award. A grantee may not be awarded a total amount in excess of \$50,000 in a legislative biennium.

5. Rules. The department shall adopt rules necessary to carry out this section. Rules adopted pursuant to this section are routine technical rules as defined in chapter 375, subchapter 2-A.

Sec. 2. Source of funding. The Legislature shall allocate to the Municipal Grant Fund established in the Maine Revised Statutes, Title 5, section 13073-C funds derived

from the Federal Government through stimulus or relief funds to counter the effects of the pandemic related to coronavirus disease 2019, or COVID-19, that are received by the State in calendar year 2021 and are eligible to be used for the purposes of the Municipal Grant Fund.

Sec. 3. Appropriations and allocations. The following appropriations and allocations are made.

**ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF
Municipal Grant Fund N389**

Initiative: Provides base allocations to authorize the expenditure of funds received from federal or private sources to provide funding for municipalities for projects that further the goals of sustainable economic development.

FEDERAL EXPENDITURES FUND	2021-22	2022-23
All Other	\$500	\$500
FEDERAL EXPENDITURES FUND TOTAL	\$500	\$500
 OTHER SPECIAL REVENUE FUNDS	 2021-22	 2022-23
All Other	\$500	\$500
OTHER SPECIAL REVENUE FUNDS TOTAL	\$500	\$500