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Date: (Filing No. S-)

LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT

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**STATE OF MAINE
SENATE
127TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 481, L.D. 1332, Bill, “An Act To Attract Entrepreneurs to the State”

Amend the bill in section 1 in §13056-G in subsection 1 by striking out all of paragraphs A to D (page 1, lines 12 to 26 in L.D.) and inserting the following:

- 'A. "Collaborative workspace" means coworking, shared working environments that promote collaboration, interaction, socialization and coordination among tenants through the clustering of multiple businesses or individuals within the shared work environment.
- B. "Collaborative workspace business" means a corporation, partnership, limited liability corporation, professional corporation or other legal business entity recognized under the laws of the State engaging or proposing to engage in economic activity within the State.
- C. "Fund" means the Maine Coworking Development Fund established in this section.
- D. "Participant" means a sole proprietorship, business partnership or corporation operating a business for profit through which the owner accesses business development services in a collaborative workspace.
- E. "Tenant" means a sole proprietorship, business partnership or corporation operating a business for profit and leasing or otherwise occupying collaborative workspace from a collaborative workspace business.
- F. "Transformative development" means redevelopment on a scale and of a character capable of catalyzing significant follow-on private investment, leading over time to transformation of an entire downtown or urban neighborhood and consistent with local plans. Transformative development may involve major investment in new construction, rehabilitation and adaptive reuse or multiple smaller investments on a sustained basis.'

COMMITTEE AMENDMENT

1 Amend the bill in section 1 in §13056-G in subsection 2 in paragraph A by striking
2 out all of subparagraphs (4) and (5) (page 2, lines 3 to 8 in L.D.) and inserting the
3 following:

4 '(4) Support partnerships between municipalities, property owners and
5 collaborative workspace businesses to establish such collaborative workspaces;
6 and

7 (5) Require such collaborative workspaces to provide shared space that promotes
8 the interaction, socialization and coordination among tenants and participants
9 through the clustering of multiple tenants and participants within the
10 collaborative workspace.'

11 Amend the bill in section 1 in §13056-G in subsection 3 in paragraph A in the 2nd
12 line (page 2, line 33 in L.D.) by inserting after the following: "workspace" the following:
13 'tenants and'

14 Amend the bill in section 1 in §13056-G in subsection 3 in paragraph B in
15 subparagraph (6) in the last line (page 3, line 14 in L.D.) by striking out the following:
16 "businesses or individuals that will be served as a result of the project; and" and inserting
17 the following: 'tenants and participants that will be served as a result of the project;'

18 Amend the bill in section 1 in §13056-G in subsection 3 in paragraph B in
19 subparagraph (7) in the last line (page 3, line 18 in L.D.) by striking out the following:
20 "occupants." and inserting the following: 'tenants;'

21 Amend the bill in section 1 in §13056-G in subsection 3 in paragraph B by inserting
22 after subparagraph (7) the following:

23 '(8) A description of the ability of the collaborative workspace business to carry
24 out the provisions of this section;

25 (9) A summary of the proposed economic impact of the collaborative workspace
26 on the community;

27 (10) A description of plans for conformance with regional and local economic
28 development plans, if such plans exist; and

29 (11) A statement of the proximity of the collaborative workspace to an
30 accredited Maine community college, college or university, as defined in Title
31 20-A, section 12541, subsection 1.'

32 Amend the bill in section 1 in §13056-G by striking out all of subsection 4 (page 3,
33 lines 26 to 30 in L.D.) and inserting the following:

34 **4. Duties of the collaborative workspace business.** A collaborative workspace
35 business that receives assistance under this section shall:

36 A. Secure title on a facility for the collaborative workspace or a lease of a facility for
37 the collaborative workspace;

38 B. Manage the physical development of the collaborative workspace, including the
39 provision of common conference or meeting space;

1 C. Provide furnishings and equipment to the collaborative workspace to provide
2 services to the tenants and participants;

3 D. Market the collaborative workspace and secure tenants and participants;

4 E. Provide financial consulting, marketing and management assistance services or
5 arrange for the provision of these services for tenants and participants, including
6 assistance in accessing private financial markets;

7 F. Set rental and service fees that would be revenue for the collaborative workspace
8 business upon approval from the department;

9 G. Encourage the sharing of ideas between tenants and participants and otherwise aid
10 the tenants and participants using innovative technology and facilities;

11 H. Establish policies and criteria for the acceptance of tenants and participants and
12 for the termination of occupancy of tenants so as to maximize the opportunity to
13 succeed for the greatest number of tenants and participants; and

14 I. Submit annual reports to the department that include a financial statement for the
15 collaborative workspace business, a summary of the economic impact of the
16 collaborative workspace on the local community and a list of tenants and participants
17 in the collaborative workspace.

18 **5. Report.** Beginning February 1, 2016, the department shall annually provide a
19 report to the Governor, the President of the Senate and the Speaker of the House of
20 Representatives that must include, but is not limited to:

21 A. The number of applications for collaborative workspace submitted to the
22 department;

23 B. The number of applications for collaborative workspace approved by the
24 department;

25 C. The number of collaborative workspaces created through the fund;

26 D. The numbers of tenants and participants engaged in each collaborative
27 workspace;

28 E. The number of jobs provided by each collaborative workspace;

29 F. The occupancy rate of each collaborative workspace; and

30 G. The number of tenants that have left collaborative workspace and that are
31 operating in the State and the number of jobs they have provided.'

32 Amend the bill by striking out all of section 2 (page 3, lines 31 to 36 and page 4, lines
33 1 to 4 in L.D.) and inserting the following:

34 **'Sec. 2. Appropriations and allocations.** The following appropriations and
35 allocations are made.

36 **ECONOMIC AND COMMUNITY DEVELOPMENT, DEPARTMENT OF**

37 **Maine Coworking Development Fund N193**

1 Initiative: Provides base allocations in the event funds are received from private or public
 2 sources.

3	OTHER SPECIAL REVENUE FUNDS	2015-16	2016-17
4	All Other	\$500	\$500
5			
6	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$500</u>	<u>\$500</u>

7 **Maine Coworking Development Program N192**

8 Initiative: Provides funds to support collaborative workspace businesses.

9	GENERAL FUND	2015-16	2016-17
10	All Other	\$250,000	\$250,000
11			
12	GENERAL FUND TOTAL	<u>\$250,000</u>	<u>\$250,000</u>

13	ECONOMIC AND COMMUNITY		
14	DEVELOPMENT, DEPARTMENT OF		
15	DEPARTMENT TOTALS	2015-16	2016-17
16			
17	GENERAL FUND	\$250,000	\$250,000
18	OTHER SPECIAL REVENUE FUNDS	\$500	\$500
19			
20	DEPARTMENT TOTAL - ALL FUNDS	<u>\$250,500</u>	<u>\$250,500</u>
21			

22 **SUMMARY**

23 This amendment is the minority report of the committee and it makes the following
 24 changes to the bill.

- 25 1. It adds new definitions for "participant" and "tenant."
- 26 2. It provides additional criteria for collaborative workspaces to receive awards from
 27 the Maine Coworking Development Fund by the Department of Economic and
 28 Community Development.
- 29 3. It adds additional duties for a collaborative workspace business that receives
 30 assistance from the fund.
- 31 4. It adds additional annual reporting requirements for the department.

32 This amendment also replaces the appropriations and allocations section in the bill.

33 **FISCAL NOTE REQUIRED**

34 (See attached)