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Public Law
123rd Legislature
First Regular Session

Chapter 420
S.P. 90 - L.D. 253

**An Act To Implement the Recommendations of the Joint Select Committee
on Research, Economic Development and the Innovation Economy**

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

Sec. 1. 5 MRSA §1664, sub-§3-A is enacted to read:

3-A. Funding for research and development. Beginning in fiscal year 2008-09, the Governor, when submitting the budget document to the Legislature pursuant to section 1666, shall submit a funding level recommendation for research and development. The recommendation must be transmitted to the Legislature within the time schedules set forth in section 1666. It is the intent of the Legislature that beginning in fiscal year 2009-10 the biennial budget submitted by the Governor must set forth appropriations for research and development that are the equivalent of not less than 1% of total actual General Fund revenue of the previous fiscal year. For each successive year for the next 10 fiscal years, the funding level must increase by at least 2/10 of 1% until funding for research and development is the equivalent to not less than 3% of total actual General Fund revenue of the previous fiscal year. If the Governor's budget sets forth recommendations for research and development that differ from the levels described in this subsection, the Governor shall explain the funding difference in the biennial budget document.

Sec. 2. 5 MRSA §12004-I, sub-§6-G is enacted to read:

6-G.

Economic
Development

Not
Authorized

10 MRSA
§949

Maine
Innovation Economy
Advisory Board

Sec. 3. 5 MRSA §13106, sub-§1, as enacted by PL 2003, c. 673, Pt. M, §8, is amended to read:

1. Action plan. An action plan for the application of science and technology to improve the State's position in the global economy. The action plan must be based on the State's overall economic development strategy as determined by the commissioner. The action plan must identify specific steps that public and private institutions must implement to improve the State's science and technology

infrastructure. The action plan must also identify action steps that could be implemented immediately without new state appropriations and resources and action steps that will require new state appropriations or major reallocation of state appropriations and resources.

The action plan must include numerical objectives, costs and an evaluation protocol. The action plan must also include a provision for assigning and ensuring accountability for those who receive state research and development funds through the office. In the preparation of this action plan, the office shall seek the advice of state agencies, the Maine Economic Growth Council established in Title 10, section 929-A, the University of Maine System and the business, education and research communities; ~~and~~.

This subsection is repealed January 1, 2008; and

Sec. 4. 5 MRSA §13107, as enacted by PL 2003, c. 673, Pt. M, §8, is amended to read:

§ 13107. Comprehensive research and development evaluation

The office shall develop and submit to the Governor and the Legislature by July 1, 2006 and on July 1st every 5 years thereafter an evaluation of state investments in research and development, as well as an annual progress report from the office and the independent reviewers under subsection 2 beginning on February 1, 2008 and on February 1st every year thereafter. The evaluation must:

1. Outcome measures. Establish outcome measures considered appropriate by public and private practitioners inside and outside of the State in the fields of research and development and economic development. Practitioners in this State must include, but are not limited to, a representative from the University of Maine System, a representative of the targeted technology sectors, a representative of the Executive Department, State Planning Office and representatives of other state agencies having economic development responsibility;

2. Independent reviewers. Utilize independent reviewers to assess the competitiveness of technology sectors in this State and the impact of research and development activities in this State on economic development in this State. The independent reviewers must incorporate the goals and objectives described in the State's innovation economy action plan, as described in Title 10, chapter 107-D, in their analysis of the success of the State's investments in research and development; and

3. Recommendations. Include recommendations to the Legislature on existing and proposed state-supported research and development programs and activities to affect technology-based economic development in this State.

By February 1, 2008 and by February 1st every year thereafter, the office and the independent reviewers under subsection 2 shall submit to the Governor and the Legislature a progress report related to the 5-year evaluation required under this section. The independent reviewers must incorporate the goals and objectives described in the State's innovation economy action plan, as described in Title 10, chapter 107-D, in their analysis of the success of the State's investments in research and development.

Sec. 5. 10 MRSA §929-A, sub-§2, as amended by PL 1995, c. 688, §9, is further amended to read:

2. Membership. The council consists of 19 members. The Governor, President of the Senate and Speaker of the House of Representatives shall jointly appoint the following 18 members, 2 of whom shall serve as cochairs of the council:

- A. ~~Fourteen~~Thirteen members having a broad range of expertise in areas including but not limited to: labor, environment, business; and education; ~~and~~
- B. Four members of the Legislature with a demonstrated interest in economic development; ~~and~~
- C. One member from the Maine Innovation Economy Advisory Board under section 949.

The Commissioner of Economic and Community Development or the commissioner's designee is a member of the council.

Sec. 6. 10 MRSA §929-C is enacted to read:

§ 929-C. Research and development budgetary recommendations

The Maine Economic Growth Council, established in section 929-A, with input from the Office of Innovation, established pursuant to Title 5, section 13105, and the Maine Innovation Economy Advisory Board, under section 949, shall review the innovation economy action plan, as described in Title 10, chapter 107-D, and develop specific annual budgetary recommendations to support the plan's vision and goals. These recommendations must include specific bonding and General Fund appropriations investment levels. By June 1st of each year, the council shall submit its recommendations, along with an annual accountability update that summarizes the State's commitment to research and development investments in the prior year, to the Governor, the Legislature and the joint standing committee of the Legislature having jurisdiction over business, research and economic development issues.

Sec. 7. 10 MRSA c. 107-D is enacted to read:

CHAPTER 107-D

Maine Innovation Economy Advisory Board

§ 949. Maine Innovation Economy Advisory Board

1. Establishment. The Maine Innovation Economy Advisory Board, referred to in this chapter as "the advisory board" and established by Title 5, section 12004-I, subsection 6-G, is established to coordinate the State's research and development activities and to foster collaboration among its higher education and nonprofit research institutions and members of the business community.

2. Appointment and composition. The advisory board consists of the following members:

A. Two ex officio members:

- (1) The Director of the Maine Technology Institute, as established in Title 5, section 12004-G, subsection 33-D, or the director's designee; and

(2) The Director of the Office of Innovation, as established in Title 5, section 13105, or the director's designee; and

B. Thirty members appointed by the Governor:

(1) Seven representatives from the for-profit business community within the 7 targeted technologies as defined in Title 5, section 15301;

(2) Seven representatives involved with nonprofit research institutions within the 7 targeted technologies as defined in Title 5, section 15301;

(3) Four representatives of the Maine Biomedical Research Board established pursuant to Title 5, section 12004-G, subsection 4-B;

(4) Two representatives from nonprofit research laboratories with main offices or headquarters in this State and demonstrated expertise and credentials in marine research;

(5) One representative of the University of Maine and one representative of the University of Southern Maine;

(6) Four representatives of private universities and colleges within the State;

(7) One representative of the University of Maine Center for Law and Innovation;

(8) One representative of the Small Enterprise Growth Program as established in section 381; and

(9) Two representatives with demonstrated expertise in venture capital.

3. Terms; vacancies; limits. The term of office for members of the advisory board is 3 years. When a vacancy occurs, it must be filled by the same appointing authority, and the new member shall serve for the remainder of the term. Members who serve on the advisory board by virtue of their offices serve terms coincident with their terms in office. Members may continue to serve until their replacements are designated. A vacancy in a position held by an ex officio member that occurs other than by the expiration of a term must be filled by a designee appointed by the Commissioner of Economic and Community Development for the unexpired term. A vacancy may not impair the right of the remaining members to exercise all of the powers of the advisory board.

4. Chair; election of officers. The members of the advisory board shall annually elect one of the advisory board's members as chair and one of its members as vice-chair to set the agenda and schedule meetings. The advisory board may elect other officers and designate their duties.

5. Voting rights. Each member of the advisory board has a vote.

6. Meetings. The advisory board shall hold quarterly meetings each year. Additional meetings may be held as necessary to conduct the business of the advisory board.

7. Compensation. Members of the advisory board are not entitled to compensation.

8. Adoption of bylaws. The advisory board shall adopt bylaws consistent with this section for the governance of its affairs and to address the resolution of conflicts of interest that may arise.

9. Quorum. A majority of the members of the advisory board constitutes a quorum.

10. Staff support. The Department of Economic and Community Development, Office of Innovation shall provide staff support to the advisory board to carry out the purposes of this section.

11. Powers and duties. The powers and duties of the advisory board are as set out in this subsection.

A. Every 5 years starting in 2010, the advisory board shall develop an innovation economy action plan for the application of science and technology to improve the State's position in the global economy. The plan must identify specific steps that public and private research institutions must implement to improve the State's science and technology infrastructure, goals for encouraging collaborative initiatives among public and private research institutions, steps that can be implemented immediately without new state funding and resources and steps that will require new state appropriations or major reallocation of state appropriations and resources. The plan must include numerical objectives, costs and an evaluation protocol, as well as a provision for assigning and ensuring accountability for those who receive state research and development funds.

B. The advisory board shall assist state and federal policy makers in advancing research and development capacity initiatives in the State and in developing corresponding funding strategies; provide input on economic planning and the commercial application of the State's research and development efforts; facilitate research opportunities that create sustained, interinstitutional, collaborative, multidisciplinary, centers-based research projects; advocate for the State's research and development sector and interests; disseminate information about its work throughout the State; and serve as the EPSCoR steering committee, as referred to in Title 5, section 13110, for the State and evaluate proposals made to the Maine EPSCoR Program and related programs.

12. Report. The advisory board shall submit a report on the innovation economy action plan developed under subsection 11 to the Maine Economic Growth Council by the first Wednesday in March every 5 years, beginning in 2010. The advisory board shall submit a progress report on the innovation economy action plan to the joint standing committee of the Legislature having jurisdiction over business, research and economic development matters and to the Governor by the first Wednesday in March of each year, beginning in 2008.

Sec. 8. Maine Innovation Economy Advisory Board; staggered terms for initial appointees. Notwithstanding the Maine Revised Statutes, Title 10, section 949, subsection 3, of the members initially appointed to the Maine Innovation Economy Advisory Board, 10 serve for one-year terms, 10 for 2-year terms and 10 for 3-year terms.

Sec. 9. Maine Revised Statutes headnote amended; revision clause. In the Maine Revised Statutes, Title 10, chapter 107, in the chapter headnote, the words "Maine Development Foundation" are amended to read "Maine Development Foundation; Maine Economic Growth Council," and the Revisor of Statutes shall implement this revision when updating, publishing or republishing the statutes.

Sec. 10. Appropriations and allocations. The following appropriations and allocations are made.

DEVELOPMENT FOUNDATION, MAINE

Development Foundation 0198

Initiative: Provides ongoing funds to the Maine Development Foundation for the additional staff and materials cost associated with the Maine Economic Growth Council's developing specific annual budget recommendations for research and development and preparing an annual accountability update.

GENERAL FUND	2007-08	2008-09
All Other	\$5,000	\$5,000
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GENERAL FUND TOTAL	\$5,000	\$5,000

Effective September 20, 2007