

Joint Standing Committee on Appropriations and Financial Affairs

January 21, 2021



**Department of Economic
& Community Development**

DECD Overview

The Department of Economic and Community Development is tasked with fostering economic growth and diversification in Maine.

- Business Development
- Tourism
- Outdoor Recreation Industry
- Community Development
- Broadband
- Maine Technology
- Maine International Trade Center

Key partners are integral to helping DECD fulfill our mission to enhance and sustain economic prosperity in Maine

DECD supports these organizations that provide one-on-one business supports with annual funding that matches Federal sources



DECD supports these statutorily-established organizations with annual funding and shared staffing



DECD supports these organizations annually for mission-specific projects



General Fund	
DECD Operating Budget (incl Personnel)	FY21
DECD-Administration	\$1,678,249
Business Development	\$1,537,163
Fed Match (CDBG-HUD)	\$296,666
	\$3,512,078
Pass-Thru Funds (Programs in Statute)	
Maine International Trade Center	\$1,168,203
Small Business Dev. Centers (SBDC)	\$683,684
Technical Centers	\$178,838
Office of Innovation (MTI)	\$7,026,427
Economic Growth Council	\$55,395
Workforce Attraction	\$50,000
Co-Working Spaces Program	\$100,000
	\$9,262,547
TOTAL GF	\$12,774,625

BOND ADMINISTRATION

Once voters have approved a bond which has been assigned to DECD, there are multiple steps to the process of awarding the funds.

Discussions occur between DECD staff and the awarding entity on the timing of the funds. If there are RFP's to be issued the funds may not be needed for some time.

Conversations begin with the Treasurer's Office to determine how much of the bond funds are needed and when. Timing must be coordinated for the Bond sale.

The Budget Office will need to establish a "bond account" in DECD to facilitate the transfer of funds.

If funds are needed before the Bond sale, we may have access to funds in the Treasurer's Cash Pool.

Depending on the funds assigned to DECD, will depend on the time involved in the processing of the funds once they are in a DECD account.

BOND FUNDS ASSIGNED TO DECD FOR MTI

Once the bond funds arrive in the DECD account a contract must be drafted between DECD and MTI to facilitate the transfer of funds.

The contract uses the language in the legislation and the “intent and content” guidance provided to voters by the Secretary of State.

If the contract is over \$1m, the contract must be reviewed and approved by the State Procurement Review Team.

MTI then assumes responsibility and develops a competitive funding program.