

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2025

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Legislative Document

No. 652

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H.P. 420

House of Representatives, February 25, 2025

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**An Act to Provide Qualifying Downtown Businesses and  
Developments with Assistance Paying Flood Insurance Premiums**

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Received by the Clerk of the House on February 20, 2025. Referred to the Committee on Taxation pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative ROLLINS of Augusta.  
Cosponsored by Representatives: COPELAND of Saco, MATLACK of St. George,  
MONTELL of Gardiner, ROEDER of Bangor, SALISBURY of Westbrook, SHAGOURY of  
Hallowell, TUELL of East Machias, Senator: MARTIN of Oxford.

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

2 **Sec. 1. 30-A MRSA §5225, sub-§1, ¶C**, as amended by PL 2023, c. 142, §§1 to  
3 3, is further amended by amending subparagraph (11), division (b) to read:

4 (b) Housing programs and services to assist those who are experiencing  
5 homelessness in the municipality or plantation as defined in the municipality's  
6 or plantation's development program; ~~and~~

7 **Sec. 2. 30-A MRSA §5225, sub-§1, ¶C**, as amended by PL 2023, c. 142, §§1 to  
8 3, is further amended by amending subparagraph (12) to read:

9 (12) Up to 50% of the capital costs related to the construction or renovation of a  
10 municipality's or plantation's central administrative office, the need for which is  
11 related to general economic development within the municipality or plantation, not  
12 to exceed 15% of the captured assessed value of the development district; and

13 **Sec. 3. 30-A MRSA §5225, sub-§1, ¶C**, as amended by PL 2023, c. 142, §§1 to  
14 3, is amended by enacting a new subparagraph (13) to read:

15 (13) Costs associated with establishing and funding a flood assistance program  
16 within a development district that provides financial support for flood insurance  
17 costs for a business or development, including administrative costs, as long as:

18 (a) The municipality or plantation does not allocate more than 25% of the  
19 annual tax increment to the program; and

20 (b) Eligibility for the program is limited to a business or development that  
21 meets specific criteria established by the municipality or plantation, including,  
22 but not limited to, being located within a floodplain as designated by the United  
23 States Department of Homeland Security, Federal Emergency Management  
24 Agency or other relevant emergency management authority and demonstrating  
25 financial need for assistance;

## 26 SUMMARY

27 This bill authorizes municipalities or plantations with established downtown tax  
28 increment financing districts to use funds related to tax increment financing for flood  
29 insurance assistance.