

# MAINE STATE LEGISLATURE

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# 132nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2025

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Legislative Document

No. 1045

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H.P. 674

House of Representatives, March 14, 2025

### **An Act to Expand the Use of Tax Increment Financing District Revenue by Adding Public Safety as an Authorized Project Cost**

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Received by the Clerk of the House on March 12, 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 KUHN of Falmouth.  
Cosponsored by Senator PIERCE of Cumberland and  
Representatives: BRIDGEO of Augusta, DHALAC of South Portland, LEE of Auburn,  
MOONEN of Portland.

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

**Sec. 1. 30-A MRSA §5225, sub-§1, ¶B**, as amended by PL 2021, c. 261, §5, is further amended by amending subparagraph (1) to read:

(1) Costs related to the construction, alteration or expansion of any facilities not located within the district that are required due to improvements or activities within the district, including, but not limited to, sewage treatment plants, water treatment plants or other environmental protection devices; storm or sanitary sewer lines; water lines; electrical lines; improvements to public safety facilities; and amenities on streets;

**Sec. 2. 30-A MRSA §5225, sub-§1, ¶B**, as amended by PL 2021, c. 261, §5, is further amended by enacting a new subparagraph (1-A) to read:

(1-A) Costs related to the construction, expansion, alteration or operation of and improvements to public safety facilities not located within the district that are required due to improvements or activities within the district;

**Sec. 3. 30-A MRSA §5225, sub-§1, ¶B**, as amended by PL 2021, c. 261, §5, is further amended by amending subparagraph (2) to read:

(2) Costs of public safety improvements related to the establishment and operation of the district or commercial activities in the district. These costs include costs related to public safety personnel and costs related to the construction, expansion or operation of and improvements to public safety facilities and public safety equipment;

**Sec. 4. 30-A MRSA §5225, sub-§1, ¶C**, as amended by PL 2023, c. 142, §§1 to 3, is further amended by amending subparagraph (9) to read:

(9) Costs related to the construction, expansion, renovation or operation of municipal or plantation public safety facilities, the need for which is related to general economic development within the municipality or plantation, not to exceed ~~15%~~ 50% of the captured assessed value of the development district;

## SUMMARY

This bill amends the law governing the use of tax increment financing district revenue for public safety. It expands the list of project costs for public safety improvements that are made outside the tax increment financing district that are authorized project costs. It also adds costs related to the expansion and renovation of municipal or plantation public safety facilities to the list of authorized project costs and increases, from 15% to 50%, the percentage of tax increment financing district revenue permitted to be used by municipalities and plantations for public safety costs related to economic development activities.