

# MAINE STATE LEGISLATURE

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# 119th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1999

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Legislative Document

No. 1309

H.P. 932

House of Representatives, February 16, 1999

### **An Act to Make Technical Changes and Improvements to the Employment Tax Increment Financing Program.**

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Submitted by the Department of Economic and Community Development pursuant to Joint Rule 204.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in black ink, reading "Joseph W. Mayo".

JOSEPH W. MAYO, Clerk

Presented by Representative TRIPP of Topsham.  
Cosponsored by Senator DAGGETT of Kennebec and  
Representatives: CIANCHETTE of South Portland, GAGNON of Waterville, GREEN of  
Monmouth, LEMONT of Kittery, MURPHY of Berwick, Senators: MILLS of Somerset,  
RUHLIN of Penobscot.

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

**Sec. 1. 36 MRSA §6753, sub-§10**, as amended by PL 1997, c. 766, §1, is further amended to read:

**10. Labor market unemployment rate.** "Labor market unemployment rate" means the average ~~seasonally--adjusted~~ unemployment rate as published by the Department of Labor for the labor market or markets in which potential qualified employees are located and in which reimbursement is claimed under this chapter for the ~~-3-~~ 12 most recently reported months preceding the date of application for employment tax increment financing and for the ~~-3-~~ 12 most recently reported months preceding the beginning of the 6th year of an approved employment tax increment financing development program.

**Sec. 2. 36 MRSA §6753, sub-§12**, as amended by PL 1997, c. 766, §2, is further amended to read:

**12. Qualified employees.** "Qualified employees" means new, full-time employees hired in this State by a qualified business and for whom a retirement program subject to the Employee Retirement Income Security Act of 1974, 29 United States Code, Sections 101 to 1461, as amended, and group health insurance are provided, and whose income derived from employment with the applicant, calculated on a calendar year basis is greater than the average annual per capita income in the ~~labor-market-area~~ county in which the qualified employee is employed and whose state income withholding taxes are subject to reimbursement to the qualified business under this chapter. "Qualified employees" must be residents of this State.

**Sec. 3. 36 MRSA §6753, sub-§13**, as enacted by PL 1995, c. 669, §5, is amended to read:

**13. State unemployment rate.** "State unemployment rate" means the average unemployment rate as published by the Department of Labor for the State as a whole, for the ~~calendar year for which reimbursement is claimed~~ 12 most recently reported months preceding the date of application for employment tax increment financing and for the 12 most recently reported months preceding the beginning of the 6th year of an approved employment tax increment financing development program.

**Sec. 4. 36 MRSA §6754, sub-§2, ¶B**, as enacted by PL 1995, c. 669, §5, is amended to read:

B. Reimbursement to a qualified business approved pursuant to this chapter expires 10 years after the date on which benefits commenced under the employment tax increment financing development program ~~was approved~~.

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## SUMMARY

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6       This bill makes technical changes to the Employment Tax  
Increment Financing program to bring the statutes into conformity  
8       with the unemployment and income data that is available from the  
Department of Labor and to remove conflicts related to the timing  
10      of applications, approval, commencement of benefits and mid-term  
review.