

MAINE STATE LEGISLATURE

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119th MAINE LEGISLATURE

SECOND REGULAR SESSION-2000

Legislative Document

No. 2384

S.P. 934

In Senate, January 12, 2000

An Act to Protect State Taxpayers and State Jobs.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Taxation suggested and ordered printed.

A handwritten signature in cursive script, reading "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator DAGGETT of Kennebec.
Cosponsored by Representative COLWELL of Gardiner and
Senator RUHLIN of Penobscot, Representatives: BERRY of Livermore, BRYANT of
Dixfield, HATCH of Skowhegan, MAILHOT of Lewiston, POWERS of Rockport, SAMSON
of Jay, SAVAGE of Buxton.

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

4 **CONCEPT DRAFT**
6 **SUMMARY**

8 This bill is a concept draft pursuant to Joint Rule 208.

10 The purpose of this bill is to prevent the loss of jobs in
12 Maine and to authorize state and local governments to recapture
14 the value of economic development incentives from employers that
16 move jobs out of the State or fail to fulfill job creation, job
18 retention or wage goals. Specifically, the bill seeks to:

20 1. Protect taxpayer investments in economic development by
22 establishing that:

24 A. State and local governments may recapture the value of
26 economic development incentives from employers that fail to
28 fulfill job creation, job retention or wage goals set
30 pursuant to the Maine Revised Statutes, Title 5, section
32 13070-J, subsection 2, paragraph B after the effective date
34 of this Act and within 2 years of qualifying for the
36 incentive; and

38 B. An employer that moves jobs out of Maine shall repay the
40 full value of any economic development incentive received
42 within the past 5 years;

44 2. Define an economic development incentive as any grant
46 payment or tax credit, reimbursement or forgiveness made pursuant
48 to the Maine Revised Statutes, Title 5, section 13070-J,
subsection 1, paragraph D;

3. Establish a waiver process for the payback of economic
development incentives if the employer can clearly establish that
the failure is caused by economic hardship;

4. Require that, in the event of an intended plant closure,
the owner of an affected establishment must make good faith
offers of sale at fair market value for plant, equipment and
inventory to any interested employee organization, private
business concern or government-owned or jointly owned business
and create an enforcement provision for this requirement; and

5. Authorize an appropriate executive branch department to
adopt rules as needed to ensure the effective administration of
this Act.