

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)



122nd MAINE LEGISLATURE

FIRST REGULAR SESSION-2005

Legislative Document

No. 737

H.P. 532

House of Representatives, February 10, 2005

An Act To Ensure the Success of Pine Tree Development Zones

Reference to the Committee on Business, Research and Economic Development suggested and ordered printed.

Millicent M. MacFarland
MILLICENT M. MacFARLAND
Clerk

Presented by Representative SAVIELLO of Wilton.
Cosponsored by Representatives: CARR of Lincoln, CLARK of Millinocket, FISCHER of Presque Isle, JOY of Crystal, SCHATZ of Blue Hill, SHERMAN of Hodgdon, THOMPSON of China, Senator: PERRY of Penobscot.

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

2
4 **Sec. 1. 30-A MRSA §5250-I, sub-§16**, as enacted by PL 2003, c. 688, Pt. D, §2, is amended to read:

6 **16. Qualified business activity.** "Qualified business activity" means a business activity that is conducted within a Pine Tree Development Zone and is directly related to financial services, manufacturing or a targeted technology business for which the business receives a certificate from the commissioner pursuant to section 5250-O. Notwithstanding any provision of law to the contrary, to the extent that a qualified business activity has an effect on any waters of the State, that qualified business activity is a designated use of those waters for the purposes of Title 38, chapter 3.

16 **Sec. 2. 30-A MRSA §5250-I, sub-§17**, as enacted by PL 2003, c. 688, Pt. D, §2, is amended to read:

20 **17. Qualified Pine Tree Development Zone business.** "Qualified Pine Tree Development Zone business" or "qualified business" means ~~any-for-profit-business-in-this-State-engaged-in financial--services--manufacturing--or--a--targeted--technology business-that-adds-qualified-Pine-Tree-Development-Zone-employees above-its-base-level-of-employment-in-this-State-and-that-meets the-following-criteria:~~

28 A. ~~It-demonstrates-that-the-establishment-or-expansion-of operations-within-the-Pine-Tree-Development-Zone-would-not occur-within-the-State-absent-the-availability-of-the-Pine Tree--Development--Zone--benefits,---The--department--shall investigate-whether-the-business-has-met-the-requirements-of this--paragraph--and--provide--an--advisory--opinion--to--the Executive-Director-of-the-Bureau-of-Revenue-Services-in-the Department--of--Administrative--and--Financial--Services,--who shall--make--the--final--determination,--and~~ A for-profit business in this State engaged in financial services, manufacturing or a targeted technology business that adds qualified Pine Tree Development Zone employees above its base level of employment in this State and that:

42 (1) Demonstrates that the establishment or expansion of operations within the Pine Tree Development Zone would not occur within the State absent the availability of the Pine Tree Development Zone benefits. The department shall investigate whether the business has met the requirements of this paragraph and provide an advisory opinion to the Executive Director of the Bureau of Revenue Services in the Department of

2 Administrative and Financial Services, who shall make
3 the final determination; and

4 (2) Has received a certificate as a qualified business
5 pursuant to section 5250-O; or

6
7 ~~B. It has received a certificate as a qualified business~~
8 ~~pursuant to section 5250-O.~~

9
10 C. A for-profit business in this State engaged in financial
11 services, manufacturing or a targeted technology business
12 that retains the jobs of Pine Tree Development Zone
13 employees through significant capital investments and that:

14 (1) Demonstrates that the capital investment retains
15 the jobs of the remaining employees and demonstrates
16 that the capital investment within the Pine Tree
17 Development Zone would not occur within the State
18 absent the availability of the Pine Tree Development
19 Zone benefits. The department shall determine whether
20 the business has met the requirements of this paragraph
21 and provide an advisory opinion to the Executive
22 Director of the Bureau of Revenue Services in the
23 Department of Administrative and Financial Services,
24 who shall make the final determination; and

25 (2) Has received a certificate as a qualified business
26 pursuant to section 5250-O.

27
28 **Sec. 3. 30-A MRSA §5250-I, sub-§18, as enacted by PL 2003, c.**
29 **688, Pt. D, §2, is amended to read:**

30
31 **18. Qualified Pine Tree Development Zone employees.**
32 "Qualified Pine Tree Development Zone employees" means new,
33 full-time employees hired or employees retained in this State by
34 a qualified Pine Tree Development Zone business for work directly
35 in one or more qualified business activities for whom a
36 retirement program subject to the Employee Retirement Income
37 Security Act of 1974, 29 United States Code, Sections 101 to 1461
38 (2003) and group health insurance are provided and whose wages
39 derived from employment within the Pine Tree Development Zone are
40 greater than the average annual per capita wages in the local
41 labor market area in the county in which the qualified employee
42 is employed. Qualified Pine Tree Development Zone employees must
43 be residents of this State.
44
45
46

SUMMARY

2

4 This bill extends the Pine Tree Development Zone to include
6 as a qualified business an existing business that makes a
8 significant capital investment, such as modernizing a
manufacturing process, that provides job retention at the
facility. It requires those businesses to meet criteria that
parallel the criteria for new job creation.

10

12 The bill also provides that any effect that a qualified
business has on waters of the State is considered a qualified
business activity.