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Legislative Document

No. 1179

S.P. 416

In Senate, March 26, 2013

An Act To Create the Brunswick Landing Job Increment Financing Fund

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

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DAREK M. GRANT Secretary of the Senate

Presented by Senator GERZOFSKY of Cumberland. Cosponsored by Representative PRIEST of Brunswick and Senators: President ALFOND of Cumberland, GOODALL of Sagadahoc, JACKSON of Aroostook, LANGLEY of Hancock, PATRICK of Oxford, Representatives: DeCHANT of Bath, GIDEON of Freeport, KENT of Woolwich.

1	Be it enacted by the People of the State of Maine as follows:
2	Sec. 1. 5 MRSA §13083-S-2 is enacted to read:
3	§13083-S-2. Brunswick Landing Job Increment Financing Fund
4 5	<u>1. Definitions.</u> As used in this section, unless the context otherwise indicates, the following terms have the following meanings.
б	A. "Assessor" means the State Tax Assessor.
7 8 9 10 11	B. "Base level of employment" means either the total employment of an employer in the base area as of March 31st, June 30th, September 30th and December 31st of calendar year 2013 or of the calendar year immediately preceding the date the employer begins operations at the base area, whichever is later, divided by 4 or its average employment during the base period, whichever is greater.
12 13	C. "Base period" means the 3 calendar years prior to the later of 2013 or the year in which an employer begins operations at the base area.
14 15	D. "Commissioner" means the Commissioner of Economic and Community Development.
16 17	<u>E.</u> "Fund" means the Brunswick Landing Job Increment Financing Fund established pursuant to subsection 2.
18 19 20 21 22 23	F. "Job tax increment" means that level of state income tax withholding attributed to any employees employed within the base area above the base level of employment for an employer in the base area or its average employment during the base period. "Job tax increment" does not include withholding from employees or positions shifted by an employer as calculated generally pursuant to Title 36, chapter 917. The shifting restriction must apply to all employers in the base area.
24 25 26 27	2. Fund established. The Brunswick Landing Job Increment Financing Fund is established to receive job tax increment transfers under this section from job creation in the base area. The fund must receive annually from the State the amount calculated under subsection 5.
28	3. Limitations. The fund is subject to the following limitations.
29 30 31 32 33	A. The amount eligible for transfer to the fund is the amount of job tax increment funds remaining after the job tax increment transfers to qualified businesses under Title 36, chapter 917, to qualified Pine Tree Development Zone businesses under chapter 206, subchapter 4 and to the Brunswick Naval Air Station Job Increment Financing Fund under section 13083-S-1.
34 35 36	B. Payments made to the fund must, after the deduction of the cost of administering the fund, be allocated for payment to the Town of Brunswick to cover municipal costs attributable to the development of the base area.
37 38	C. Payments to the fund are not allowed for calendar years beginning on or after January 1, 2025.

14. Certification. The commissioner shall certify annually to the assessor on or2before June 30th of each year, beginning in 2015, the information required by the3assessor to calculate the payments required under this section.

4 5. Procedure for payment of revenue to the fund. Beginning in 2015, on or before 5 July 15th of each year, the assessor shall review the information provided under subsection 4 and calculate the job tax increment for the preceding calendar year. On or 6 7 before July 15th of each year, the assessor shall certify to the State Controller the amount 8 necessary to make the payments required under this section, and the State Controller shall 9 transfer that amount to the state job tax increment contingent account established, 10 maintained and administered by the State Controller from General Fund undedicated revenue within the withholding tax category. On or before July 31st of each year, the 11 12 State Controller shall deposit this revenue into the fund and distribute the payments 13 attributable to this section to the Town of Brunswick.

6. Administration. The Commissioner of Administrative and Financial Services
shall administer the fund and may adopt rules pursuant to the Maine Administrative
Procedure Act for implementation of the fund. Rules adopted pursuant to this subsection
are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

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SUMMARY

19 This bill establishes the Brunswick Landing Job Increment Financing Fund. The 20 fund receives job tax increment payments after the calculation of payments to the 21 Brunswick Naval Air Station Job Increment Financing Fund and other required funding 22 attributable to new employees employed in the former Brunswick Naval Air Station base 23 area after 2013. Transfers to the Brunswick Landing Tax Increment Financing Fund are 24 paid to the Town of Brunswick.