

# MAINE STATE LEGISLATURE

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5/16/15  
R.O.F.'S

Date: 6-19-15

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STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
127TH LEGISLATURE  
FIRST REGULAR SESSION

HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 520,  
L.D. 767, Bill, "An Act To Create Jobs in Aroostook and Washington Counties"

Amend the amendment in the first paragraph after the title by striking out everything  
after the following: "Amend the bill" and inserting the following:

"by striking out everything after the enacting clause and before the summary and  
inserting the following:

**Sec. 1. 30-A MRSA §5250-I, sub-§18**, as amended by PL 2005, c. 351, §4 and  
affected by §26, is further amended to read:

**18. Qualified Pine Tree Development Zone employees.** ~~"Qualified~~ Except for  
employees in Aroostook and Washington counties, "qualified Pine Tree Development  
Zone employees" means new, full-time employees hired in this State by a qualified Pine  
Tree Development Zone business for work directly in one or more qualified business  
activities 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 within  
the Pine Tree Development Zone, calculated on a calendar year basis, is greater than the  
most recent annual per capita personal income in the county in which the qualified  
employee is employed. "Qualified Pine Tree Development Zone employees" does not  
include employees shifted to a qualified business activity from a nonqualified activity of  
the qualified Pine Tree Development Zone business or an affiliated business. The  
commissioner shall determine whether a shifting of employees has occurred.

For employees in Aroostook and Washington counties, "qualified Pine Tree Development  
Zone employees" means new, full-time employees hired in this State by a qualified Pine  
Tree Development Zone business for work directly in one or more qualified business  
activities 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 within  
the Pine Tree Development Zone, calculated on a weekly basis, is greater than the  
average weekly wage for the most recent available calendar year as derived from the  
quarterly census of employment and wages and provided annually by the Department of  
Labor. The calculation of the average weekly wage must include data from the counties  
of Androscoggin, Aroostook, Franklin, Hancock, Kennebec, Knox, Lincoln, Oxford,

**HOUSE AMENDMENT**

1 Penobscot, Piscataquis, Sagadahoc, Somerset, Waldo and Washington. Notwithstanding  
 2 this subsection, with respect to Aroostook and Washington counties, in a county in which  
 3 the average annual unemployment rate at the time of certification for the most recent  
 4 calendar year is greater than the state average for the same year, the wage threshold is  
 5 90% of the average weekly wage as derived from the quarterly census of employment and  
 6 wages. Notwithstanding this subsection, with respect to Aroostook and Washington  
 7 counties and upon approval of the commissioner, a qualified business located in a county  
 8 in which the average annual unemployment rate at the time of certification for the most  
 9 recent calendar year is greater than the state average for that same year qualifies for a  
 10 phase-in of salary threshold requirements. A qualified business under this provision must  
 11 meet 70% of the average weekly wage as derived from the quarterly census of  
 12 employment and wages in the first year of certification, 80% of the average weekly wage  
 13 as derived from the quarterly census of employment and wages in the 2nd year of  
 14 certification and 90% of the average weekly wage as derived from the quarterly census of  
 15 employment and wages in all following years of certification. Failure to meet any of  
 16 these requirements results in automatic revocation of certification. "Qualified Pine Tree  
 17 Development Zone employees" does not include employees shifted to a qualified  
 18 business activity from a nonqualified activity of the qualified Pine Tree Development  
 19 Zone business or an affiliated business. The commissioner shall determine whether a  
 20 shifting of employees has occurred.

21 **Sec. 2. 30-A MRSA §5250-I, sub-§18-A** is enacted to read:

22 **18-A. Quarterly census of employment and wages.** "Quarterly census of  
 23 employment and wages" means the comprehensive tabulation of employment and wage  
 24 information for workers produced by the quarterly census of employment and wages  
 25 program, a cooperative program involving the federal Department of Labor, Bureau of  
 26 Labor Statistics and the state employment security agencies.

27 **Sec. 3. 36 MRSA §6753, sub-§12,** as amended by PL 2009, c. 434, §82, is  
 28 further amended to read:

29 **12. Qualified employee.** "Qualified Except for an employee in Aroostook County  
 30 or Washington County, "qualified employee" means a new, full-time employee hired in  
 31 this State by a qualified business, for whom a retirement program subject to the  
 32 Employee Retirement Income Security Act of 1974, 29 United States Code, Chapter 18  
 33 and group health insurance are provided, and whose income derived from employment  
 34 with the applicant, calculated on a calendar year basis, is greater than the most recent  
 35 annual per capita personal income in the county in which the qualified employee is  
 36 employed, as long as Maine income tax withholding attributed to the qualified employee  
 37 is subject to reimbursement to the qualified business under this chapter. "Qualified  
 38 employee" does not include an employee who is shifted to a qualified business from an  
 39 affiliated business. The commissioner shall determine whether a shifting of employees  
 40 has occurred.

41 For an employee in Aroostook County and Washington County, "qualified employee"  
 42 means a new, full-time employee hired in this State by a qualified business, for whom a  
 43 retirement program subject to the Employee Retirement Income Security Act of 1974, 29  
 44 United States Code, Chapter 18 and group health insurance are provided, and whose  
 45 income derived from employment with the applicant, calculated on a weekly basis, is

1 greater than the average weekly wage for the most recent available calendar year as  
 2 derived from the quarterly census of employment and wages and provided annually by  
 3 the Department of Labor, as long as Maine income tax withholding attributed to the  
 4 qualified employee is subject to reimbursement to the qualified business under this  
 5 chapter. "Qualified employee" does not include an employee who is shifted to a qualified  
 6 business from an affiliated business. The commissioner shall determine whether a  
 7 shifting of employees has occurred. The calculation of the average weekly wage must  
 8 include data from the counties of Androscoggin, Aroostook, Franklin, Hancock,  
 9 Kennebec, Knox, Lincoln, Oxford, Penobscot, Piscataquis, Sagadahoc, Somerset, Waldo  
 10 and Washington. Notwithstanding this subsection, with respect to Aroostook and  
 11 Washington counties, in a county in which the average annual unemployment rate at the  
 12 time of certification for the most recent calendar year is greater than the state average for  
 13 the same year, the wage threshold is 90% of the average weekly wage as derived from the  
 14 quarterly census of employment and wages. Notwithstanding this subsection, with  
 15 respect to Aroostook and Washington counties and upon approval of the commissioner, a  
 16 qualified business located in a county in which the average annual unemployment rate at  
 17 the time of certification for the most recent calendar year is greater than the state average  
 18 for that same year qualifies for a phase-in of salary threshold requirements. A qualified  
 19 business under this provision must meet 70% of the average weekly wage as derived from  
 20 the quarterly census of employment and wages in the first year of certification, 80% of  
 21 the average weekly wage as derived from the quarterly census of employment and wages  
 22 in the 2nd year of certification and 90% of the average weekly wage as derived from the  
 23 quarterly census of employment and wages in all following years of certification. Failure  
 24 to meet any of these requirements results in automatic revocation of certification.

25 **Sec. 4. 36 MRSA §6753, sub-§12-A** is enacted to read:

26 **12-A. Quarterly census of employment and wages.** "Quarterly census of  
 27 employment and wages" means the comprehensive tabulation of employment and wage  
 28 information for workers produced by the quarterly census of employment and wages  
 29 program, a cooperative program involving the federal Department of Labor, Bureau of  
 30 Labor Statistics and the state employment security agencies."

31 **SUMMARY**

32 Current law requires that a qualified employee in a Pine Tree Development Zone or  
 33 under the Maine Employment Tax Increment Financing Act be paid a wage greater than  
 34 the annual per capita personal income in the county in which the qualified employee is  
 35 employed. This amendment changes this requirement to require that such an employee in  
 36 Aroostook County or Washington County be paid a weekly wage greater than the average  
 37 weekly wage in certain counties. With respect to Aroostook and Washington counties, in

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HOUSE AMENDMENT "A" to COMMITTEE AMENDMENT "A" to H.P. 520, L.D. 767

1 a county in which the average annual unemployment rate is greater than the state average,  
2 this wage threshold is 90% of the average weekly wage in certain counties. Upon  
3 approval of the Commissioner of Economic and Community Development, a qualified  
4 business qualifies for a phase-in of this wage threshold.

5 SPONSORED BY: 

6 (Representative MARTIN J)

7 TOWN: Eagle Lake

**FISCAL NOTE REQUIRED**  
(See attached)

# HOUSE AMENDMENT



# 127th MAINE LEGISLATURE

LD 767

LR 1201(04)

## An Act To Create Jobs in Aroostook and Washington Counties

Fiscal Note for House Amendment *A* to Committee Amendment "A"

Sponsor: Rep. Martin of Eagle Lake

Fiscal Note Required: Yes

### Fiscal Note

	FY 2015-16	FY 2016-17	Projections FY 2017-18	Projections FY 2018-19
<b>Net Cost (Savings)</b>				
General Fund	\$0	\$0	\$4,750	\$9,500
<b>Revenue</b>				
General Fund	\$0	\$0	(\$4,750)	(\$9,500)
Other Special Revenue Funds	\$0	\$0	(\$250)	(\$500)

#### Fiscal Detail and Notes

This amendment makes changes to the wage requirements under the Pine Tree Development Zone credit program for Aroostook and Washington counties and would result in a reduction in General Fund and Local Government Fund revenue in the 2018-2019 biennium.