

MAINE STATE LEGISLATURE

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127th MAINE LEGISLATURE

SECOND REGULAR SESSION-2016

Legislative Document

No. 1692

S.P. 698

In Senate, April 1, 2016

**An Act To Amend and Clarify the Laws Governing the Brunswick
Naval Air Station Job Increment Financing Fund**

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

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

A handwritten signature in cursive script, reading "Heather J.R. Priest".

HEATHER J.R. PRIEST
Secretary of the Senate

Presented by Senator GERZOFKY of Cumberland.
Cosponsored by Representative TUCKER of Brunswick and
Senators: ALFOND of Cumberland, BAKER of Sagadahoc, CUSHING of Penobscot,
DIAMOND of Cumberland, MASON of Androscoggin, PATRICK of Oxford,
Representatives: HERBIG of Belfast, WARD of Dedham.

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

2 **Sec. 1. 5 MRSA §13083-S-1, sub-§3, ¶B,** as enacted by PL 2009, c. 641, §9, is
3 repealed and the following enacted in its place:

4 B. Subject to the provisions of paragraph E, payments allocated to the college must
5 be used solely to fund the following costs, as long as those costs are incurred for
6 educational programs or employment services directly related to support of the target
7 business sectors in the base area:

8 (1) Higher education services, including, but not limited to, faculty and staff
9 salaries and instruction; and

10 (2) Operations, equipment, maintenance and financing costs, including, but not
11 limited to, closing costs, issuance costs and interest paid to holders of evidences
12 of indebtedness issued to pay for project costs and any premium paid over the
13 principal amount of that indebtedness because of the redemption of the
14 obligations before maturity.

15 As used in this paragraph, "target business sectors" means businesses engaged in the
16 aerospace or aviation, biotechnology, composites and advanced materials, renewable
17 energy or information technology industry.

18 Beginning November 15, 2016, the authority and the college jointly shall provide an
19 annual report to the joint standing committee of the Legislature having jurisdiction
20 over economic development matters detailing the amounts of the payments allocated
21 to the college from the fund and the manner in which those payments have been used
22 during the prior fiscal year.

23 **SUMMARY**

24 Current law provides that the state income tax withholding attributable to employees
25 at the Brunswick Naval Air Station is placed into a fund and distributed equally to the
26 Midcoast Regional Redevelopment Authority and Southern Maine Community College.

27 This bill clarifies that the funds distributed to Southern Maine Community College
28 must be used for the support of educational programs or employment services directly
29 related to target business sector businesses at the former Brunswick Naval Air Station.
30 This bill also requires the authority and the college jointly to report to the joint standing
31 committee of the Legislature having jurisdiction over economic development matters
32 annually regarding the use of the funds allocated to the college.