

# MAINE STATE LEGISLATURE

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# 128th MAINE LEGISLATURE

## FIRST REGULAR SESSION-2017

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Legislative Document

No. 1565

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H.P. 1078

House of Representatives, May 2, 2017

### **An Act To Ensure the Effectiveness of Tax Increment Financing**

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Submitted by the Department of Economic and Community Development pursuant to Joint Rule 204.

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

A handwritten signature in cursive script that reads "Robert B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative WARD of Dedham.  
Cosponsored by Senator VOLK of Cumberland.

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

2 **Sec. 1. 30-A MRSA §5222, sub-§14-A** is enacted to read:

3 **14-A. Qualified business activity.** "Qualified business activity" means a business  
4 activity conducted within a development district that is directly related to financial  
5 services, manufacturing as defined in Title 30-A, section 5250-I, subsection 11 or  
6 targeted technologies as defined in Title 5, section 15301, subsection 2.

7 **Sec. 2. 30-A MRSA §5224, sub-§2, ¶H,** as amended by PL 2013, c. 184, §3, is  
8 further amended to read:

9 H. The duration of the development district, which may not exceed a total of 30 tax  
10 years beginning with the tax year in which the designation of the development district  
11 is effective pursuant to section 5226 or, if specified in the development program, the  
12 subsequent tax year; ~~and~~

13 **Sec. 3. 30-A MRSA §5224, sub-§2, ¶I,** as amended by PL 2011, c. 101, §10, is  
14 further amended to read:

15 I. All documentation submitted to or prepared by the municipality or plantation  
16 under section 5223, subsection 2-; and

17 **Sec. 4. 30-A MRSA §5224, sub-§2, ¶J** is enacted to read:

18 J. For development programs approved by the commissioner on or after April 1,  
19 2018, documentation that shows that at least 80% of the area within the development  
20 district is designated for development by an entity or organization that is determined  
21 by the department to be engaged in a qualified business activity.

22 **SUMMARY**

23 This bill amends the criteria for adopting a development program as part of a  
24 development district by requiring that 80% of the area within the district is designated for  
25 development by an entity engaged in a qualified business activity that is directly related  
26 to financial services, manufacturing or targeted technologies. This provision applies to  
27 development programs approved by the Commissioner of Economic and Community  
28 Development on or after April 1, 2018.