

MAINE STATE LEGISLATURE

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TAXATION

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STATE OF MAINE
SENATE
129TH LEGISLATURE
FIRST REGULAR SESSION

COMMITTEE AMENDMENT "A" to S.P. 342, L.D. 1122, Bill, "An Act To Expand Tax Increment Financing"

Amend the bill by striking out everything after the enacting clause and inserting the following:

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

14-A. Public safety facility. "Public safety facility" means a facility used primarily for the functions of municipal or plantation government that ensure the protection of residents, organizations and institutions in the municipality or plantation, including the provision of law enforcement, fire and emergency services.

Sec. 2. 30-A MRSA §5225, sub-§1, ¶B, as amended by PL 2011, c. 101, §13, is further amended to read:

B. Costs of improvements that are made outside the tax increment financing district but are directly related to or are made necessary by the establishment or operation of the district, including, but not limited to:

(1) ~~That portion of the costs reasonably~~ Costs related to the construction, alteration or expansion of any facilities not located within the district that are required due to improvements or activities within the district, including, but not limited to, sewage treatment plants, water treatment plants or other environmental protection devices; storm or sanitary sewer lines; water lines; electrical lines; improvements to ~~fire stations~~ public safety facilities; and amenities on streets;

(2) Costs of public safety improvements ~~made necessary by~~ related to the establishment of the district; and

(3) Costs of funding to mitigate any adverse impact of the district upon the municipality or plantation and its constituents. This funding may be used for public facilities and improvements if:

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1 (a) The public facilities or improvements are located in a downtown tax
2 increment financing district; and

3 (b) The entire tax increment from the downtown tax increment financing
4 district is committed to the development program of the tax increment
5 financing district;

6 **Sec. 3. 30-A MRSA §5225, sub-§1, ¶C**, as amended by PL 2013, c. 184, §4, is
7 further amended to read:

8 C. Costs related to economic development, environmental improvements, fisheries
9 and wildlife or marine resources projects, recreational trails or employment training
10 within the municipality or plantation, including, but not limited to:

11 (1) Costs of funding economic development programs or events developed by
12 the municipality or plantation or funding the marketing of the municipality or
13 plantation as a business or arts location;

14 (2) Costs of funding environmental improvement projects developed by the
15 municipality or plantation for commercial or arts district use or related to such
16 activities;

17 (3) Funding to establish permanent economic development revolving loan funds,
18 investment funds and grants;

19 (4) Costs of services and equipment to provide skills development and training,
20 including scholarships to in-state educational institutions or to online learning
21 entities when in-state options are not available, for jobs created or retained in the
22 municipality or plantation. These costs must be designated as training funds in
23 the development program;

24 (5) Quality child care costs, including finance costs and construction, staffing,
25 training, certification and accreditation costs related to child care;

26 (6) Costs associated with new or existing recreational trails determined by the
27 department to have significant potential to promote economic development,
28 including, but not limited to, costs for multiple projects and project phases that
29 may include planning, design, construction, maintenance, grooming and
30 improvements with respect to new or existing recreational trails, which may
31 include bridges that are part of the trail corridor, used all or in part for all-terrain
32 vehicles, snowmobiles, hiking, bicycling, cross-country skiing or other related
33 multiple uses;

34 (7) Costs associated with a new or expanded transit service, limited to:

35 (a) Transit service capital costs, including but not limited to: transit vehicles
36 such as buses, ferries, vans, rail conveyances and related equipment; bus
37 shelters and other transit-related structures; and benches, signs and other
38 transit-related infrastructure; and

39 (b) In the case of transit-oriented development districts, ongoing costs of
40 adding to an existing transit system or creating a new transit service and

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1 limited strictly to transit operator salaries, transit vehicle fuel and transit
2 vehicle parts replacements; and

3 (8) Costs associated with the development of fisheries and wildlife or marine
4 resources projects; and

5 (9) Costs related to the construction or operation of municipal or plantation
6 public safety facilities, the need for which is related to general economic
7 development within the municipality or plantation, not to exceed 15% of the
8 captured assessed value of the development district; and

9 Sec. 4. 30-A MRSA §5225, sub-§2, as enacted by PL 2001, c. 669, §1, is
10 amended to read:

11 2. **Unauthorized project costs.** Except as provided in subsection 1, paragraph C,
12 subparagraph (9) and subsection 1, paragraph D, the commissioner may not approve as a
13 project cost the cost of facilities, buildings or portions of buildings used predominantly
14 for the general conduct of government or for public recreational purposes, including, but
15 not limited to, city halls and other headquarters of government where the governing body
16 meets regularly, courthouses, jails, ~~police stations~~ and other state and local government
17 office buildings, recreation centers, athletic fields and swimming pools.'

18 Amend the bill by relettering or renumbering any nonconsecutive Part letter or
19 section number to read consecutively.

20 **SUMMARY**

21 This amendment expands the types of projects eligible for tax increment financing by
22 including public safety facilities instead of only fire stations as allowed under current law.
23 The amendment defines "public safety facility" and caps the percentage of tax increment
24 financing funds per development district that may be used for public safety facilities
25 located outside the district.

26 **FISCAL NOTE REQUIRED**

27 (See attached)



129th MAINE LEGISLATURE

LD 1122

LR 679(02)

An Act To Expand Tax Increment Financing

Fiscal Note for Bill as Amended by Committee Amendment 'A' (S-75)

Committee: Taxation

Fiscal Note Required: Yes

Fiscal Note

Minor cost increase - General Fund

Fiscal Detail and Notes

Additional costs to the Department of Economic and Community Development to implement the requirements of this legislation can be absorbed within existing budgeted resources.