

MAINE STATE LEGISLATURE

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LAWS
OF THE
STATE OF MAINE

AS PASSED BY THE
ONE HUNDRED AND SIXTEENTH LEGISLATURE

SECOND REGULAR SESSION

January 5, 1994 to April 14, 1994

THE GENERAL EFFECTIVE DATE FOR
SECOND REGULAR SESSION
NON-EMERGENCY LAWS IS
JULY 14, 1994

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4.

J.S. McCarthy Company
Augusta, Maine
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petitions that are authorized for circulation by the Secretary of State but have not been filed as well as any petitions that are filed on or after the effective date of this legislation. The Secretary of State shall attempt to notify those with outstanding authorized petitions that have not been filed of the new deadline for completion.

See title page for effective date, unless otherwise indicated.

CHAPTER 696

S.P. 647 - L.D. 1806

An Act to Encourage Municipal Investment in Local Economic Development Projects

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, there is a need to stimulate private investment in commercial and industrial projects within municipalities in order to create new employment opportunities, provide a broader tax base and improve the economy of the State; and

Whereas, removing disincentives to municipalities investing in certain types of public infrastructure improvements will trigger those investments; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

Sec. 1. 20-A MRSA §1301, sub-§1, ¶D is enacted to read:

D. Notwithstanding paragraphs A and B, Title 30-A, chapter 208-A or any other provision of law, the state valuation used to calculate the shared cost for each municipality in a district with a municipal incentive development zone must include the increase in equalized just value of all industrial and commercial property located in the zone over the assessed value.

Sec. 2. 20-A MRSA §1704, sub-§1, as amended by PL 1993, c. 410, Pt. F, §4, is further amended to read:

1. Formula. A community school district shall share its costs among the member municipalities on the basis of:

A. The number of resident pupils in each municipality;

B. The fiscal capacity of each member municipality as defined in section 15603, subsection 11-A;

C. In accordance with any combination of paragraphs A and B; or

D. In accordance with any other formula authorized by the Legislature.

Notwithstanding paragraphs A to D and for fiscal year 1992-93 only, the state valuation and resident pupil information used to calculate the shared cost for each municipality must be the same as the information used for fiscal year 1991-92.

Notwithstanding paragraphs A to D, Title 30-A, chapter 208-A or any other provision of law, the state valuation used to calculate the shared cost for each municipality in a community school district with a municipal incentive development zone must include the increase in equalized just value of all industrial and commercial property located in the zone over the assessed value.

Sec. 3. 30-A MRSA c. 208-A is enacted to read:

CHAPTER 208-A

MUNICIPAL INCENTIVE DEVELOPMENT ZONES

§5281. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Commercial and industrial property. "Commercial and industrial property" means real and personal property used for or in connection with an industrial, commercial or other business enterprise and includes, but is not limited to, real or personal property used, useful or intended for use in or as warehouses or other wholesale distribution facilities, factories or other manufacturing facilities, commercial business facilities, retail business facilities, service business facilities, office buildings, hotels and motels and parking garages.

2. Original assessed value. "Original assessed value" means the assessed value of all commercial and industrial property located within the municipal

incentive development zone as of the date of approval of the municipal incentive development zone by the Commissioner of Economic and Community Development.

§5282. Municipal incentive development zones

Municipal incentive development zones may be established to assist municipalities in encouraging private investment in industrial and commercial projects through the provision of public infrastructure necessary for improvements. Improvements and investments must provide new employment opportunities, improve and broaden the tax base and improve the general economy of the State.

§5283. Municipal incentive development zones; procedures

1. Procedures for establishment of zones. The municipal legislative body shall comply with the following procedures in establishing municipal incentive development zones.

A. The municipal legislative body may establish municipal incentive development zones within the boundaries of the municipality by majority vote at a duly called meeting:

- (1) To establish the zone;
- (2) To adopt a description of the physical boundaries of the zone;
- (3) To adopt an infrastructure improvement plan for the zone. The infrastructure improvement plan must describe the public infrastructure improvements to be constructed by the municipality in the municipal incentive development zone, including the nature of the improvements, the time, place and manner of installation of improvements, the plans for operation of improvements and a description of how the proposed improvements are expected to encourage private sector capital investment in commercial and industrial property in the zone and otherwise benefit the public; and
- (4) To authorize the infrastructure improvements described in the plan. Evidence of authorization must be included in the plan.

B. Before establishing a municipal incentive development zone, the municipal legislative body or its designee shall do the following:

- (1) Hold at least one public hearing. Notice of the hearing must be published at least 10 days before the hearing in a news-

paper of general circulation in the municipality; and

(2) Submit to the Commissioner of Economic and Community Development for review and approval the municipal incentive development zone established by the municipal legislative body and the applicable infrastructure improvement plan.

C. Prior to final approval of a municipal incentive development zone, the Commissioner of Economic and Community Development must certify that the public improvements proposed by the municipality are likely to result in private sector capital investment in commercial and industrial property within the zone. The Commissioner of Economic and Community Development may develop a nonexclusive list of qualifying improvements by rule.

2. Effective date. The establishment of a municipal incentive development zone is effective upon approval by the municipal legislative body and certification by the Commissioner of Economic and Community Development as provided in this section.

3. Standards for zones. Municipal incentive development zones must meet the following requirements:

A. The total area of all municipal incentive development zones may not exceed 10% of the total acreage of the municipality;

B. The aggregate value of equalized taxable property, as defined in Title 36, sections 208 and 305, of a municipal incentive development zone determined as of the date the establishment of the zone becomes effective, plus all existing municipal incentive development zones determined as of the date of establishment of each such zone became effective, may not exceed 10% of the total value of equalized taxable property within the municipality;

C. The area within any municipal incentive development zone must be directly benefitted by the public infrastructure improvements proposed to be made by the municipality according to the infrastructure improvement plan; and

D. The improvements proposed to be made by the municipality in the municipal incentive development zone and described in the infrastructure improvement plan must primarily benefit or encourage private investment in commercial and industrial property.

4. Amendment of zones and development plans. The boundaries of a municipal incentive

development zone and the infrastructure improvement plan may be altered or amended by the municipality only in accordance with the requirements for adoption of municipal incentive development zones in this section.

5. Duration of zones. Municipal incentive development zones have a maximum duration of 10 years.

§5284. Tax shifts

The municipal assessor shall certify, as of the date of approval of the municipal incentive development zone, the assessed value of all commercial and industrial property located within the zone as of the date of approval of the zone by the Commissioner of Economic and Community Development. During the term of the zone, in making the annual determination of the equalized just value of the industrial and commercial property located within the municipal incentive development zone pursuant to Title 36, sections 208 and 305, there must be excluded from value the increase in equalized just value of all industrial and commercial property located within the zone over the original assessed value, except that the amount excluded under this section may not exceed the amount invested by a municipality in infrastructure improvements under an infrastructure improvement plan adopted pursuant to section 5283. The amount invested by a municipality in infrastructure improvements under an infrastructure improvement plan adopted pursuant to section 5283 must be determined as of the date the investment is completed.

§5285. Agreements between municipalities

Municipalities may jointly create municipal incentive development zones that encompass property located within the boundaries of the municipalities. The municipalities may enter into agreements with each other allocating the economic benefit resulting from the creation of the zones.

§5286. Declaration of public purpose

The actions required to assist the establishment of municipal incentive development zones, including implementation of the applicable infrastructure improvement plans, and the execution and financing of these plans, are a public purpose.

Sec. 4. 36 MRSA §305, sub-§1, as amended by PL 1989, c. 857, §74, is further amended to read:

1. Just value. Certify to the Secretary of State before the first day of February the equalized just value of all real and personal property in each municipality and unorganized place that is subject to taxation under the laws of this State, except that percentage of captured assessed value located within a

tax increment financing district that is used to finance that district's development plan; and the valuation amount by which the current assessed value of commercial and industrial property within a municipal incentive development zone, as determined in Title 30-A, section 5284, exceeds the assessed value of commercial and industrial property within the zone as of the date the zone is approved by the Commissioner of Economic and Community Development, known in this subsection as the "sheltered value," up to the amount invested by a municipality in infrastructure improvements under an infrastructure improvement plan adopted pursuant to section 5283. ~~Such~~ The equalized just value must be uniformly assessed in each municipality and unorganized place and be based on 100% of the current market value. It must separately show for each municipality and unorganized place the actual or estimated value of all real estate that is exempt from property taxation by law or is the captured value within a tax increment financing district that is used to finance that district's development plan, as reported on the municipal valuation return filed pursuant to section 383, or that is the sheltered value of a municipal incentive development zone. The valuation as filed remains in effect until the next valuation is filed and is the basis for the computation and apportionment of the state and county taxes;

Emergency clause. In view of the emergency cited in the preamble, this Act takes effect when approved.

Effective April 15, 1994.

CHAPTER 697

H.P. 1352 - L.D. 1818

An Act Regarding the Rights of Grandparents in Child Protection Proceedings

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

Sec. 1. 22 MRSA §4005-B is enacted to read:

§4005-B. Grandparent's right to standing and intervenor status in child protection proceedings

1. Definition. For the purposes of this section, "grandparent" means the biological or adoptive parent of the child's biological or adoptive parent. "Grandparent" does not include the parent of a child's parent who consented to adoption or whose parental rights have been terminated.