

§13083-S-1. Brunswick Naval Air Station Job Increment Financing Fund

1. Definitions. As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Affiliated business" means one of 2 businesses exhibiting either of the following relationships:

(1) One business owns 50% or more of the stock of the other business or owns a controlling interest in the other; or

(2) Fifty percent of the stock of each business or a controlling interest in each business is directly or indirectly owned by a common owner or owners. [PL 2009, c. 641, §9 (NEW).]

B. "Assessor" means the State Tax Assessor. [PL 2009, c. 641, §9 (NEW).]

C. "Base level of employment" means either the total employment of an employer as of the March 31st, June 30th, September 30th and December 31st of the calendar year immediately preceding the date the employer begins operations at the base area divided by 4 or its average employment during the base period, whichever is greater. [PL 2009, c. 641, §9 (NEW).]

D. "Base period" means the 3 calendar years prior to the year in which an employer begins operations at the base area. [PL 2009, c. 641, §9 (NEW).]

D-1. "Benefit base" has the same meaning as in Title 36, section 6753, subsection 5-B. [PL 2023, c. 613, Pt. C, §1 (NEW).]

E. "College" means Southern Maine Community College in the Maine Community College System. [PL 2009, c. 641, §9 (NEW).]

F. "Commissioner" means the Commissioner of Economic and Community Development. [PL 2009, c. 641, §9 (NEW).]

G. "Fund" means the Brunswick Naval Air Station Job Increment Financing Fund established pursuant to subsection 2. [PL 2009, c. 641, §9 (NEW).]

H. "Job tax increment" means that level of state income tax withholding attributed to any employees employed within the base area above the base level of employment for an employer in the base area or its average employment during the base period. "Job tax increment" does not include withholding from employees or positions shifted by an employer as calculated generally pursuant to Title 36, chapter 917. The shifting restriction must apply to all employers in the base area. [PL 2009, c. 641, §9 (NEW).]

[PL 2023, c. 613, Pt. C, §1 (AMD).]

2. Fund established. The Brunswick Naval Air Station Job Increment Financing Fund is established to receive job tax increment transfers from job creation in the base area. The fund must receive annually from the State the amount calculated under subsection 5.

[PL 2009, c. 641, §9 (NEW).]

3. Limitations. The fund is subject to the following limitations.

A. Subject to the provisions of paragraph E, payments from the fund allocated to the authority must be used solely to fund the costs of municipal services, including, but not limited to, water, sewer, electricity, telecommunications, fire protection, police protection, sanitation services and the maintenance of buildings, facilities, grounds and roads in the base area. [PL 2009, c. 641, §9 (NEW).]

B. Subject to the provisions of paragraph E, payments allocated to the college must be used solely to fund the costs of higher education services, including, but not limited to, faculty and staff salaries and instruction, operations, equipment, maintenance and financing costs, including, but not limited to, closing costs, issuance costs and interest paid to holders of evidences of indebtedness issued to

pay for project costs and any premium paid over the principal amount of that indebtedness because of the redemption of the obligations before maturity. [PL 2009, c. 641, §9 (NEW).]

C. To the extent that revenues received by the fund are not expended for current costs under paragraphs A and B, the fund must retain the revenues to defray future costs under those paragraphs. [PL 2009, c. 641, §9 (NEW).]

D. State income tax withholding attributable to any qualified employee whose wages are included in computing the benefit base eligible for reimbursement to a Maine Employment Tax Increment Financing Program qualified business pursuant to Title 36, chapter 917 is not eligible for use in the calculation of a payment to the fund under subsection 5. State income tax withholding under any tax credit or reimbursement program based on state income tax withholding is not eligible for use in calculation of a payment to the fund under subsection 5. [PL 2023, c. 613, Pt. C, §2 (AMD).]

E. Payments made to the fund must be allocated as follows:

(1) For payments transferred to the fund in 2011 and 2012, 100% must be allocated to the college;

(2) For payments made to the fund in 2013, 75% must be allocated to the college and 25% must be allocated to the authority; and

(3) For payments made to the fund in 2014 and after, 50% must be allocated to the college and 50% must be allocated to the authority. [PL 2009, c. 641, §9 (NEW).]

F. Payments to the fund are not allowed for calendar years beginning on or after January 1, 2031. If at least 5,000 net new jobs are created in the base area prior to 2031, the services funded under paragraphs A and B must be reviewed by the joint standing committee of the Legislature having jurisdiction over economic development matters in order to determine whether continuance of the fund is necessary. [PL 2009, c. 641, §9 (NEW).]

[PL 2023, c. 613, Pt. C, §2 (AMD).]

4. Certification by authority. By February 15th of each year, beginning in 2011, the authority shall provide a report identifying each employer located at the base area to the commissioner. By April 15th of each year, beginning in 2021, each employer located at the base area shall report to the commissioner the number of employees employed at the base area during the immediately preceding calendar year, the state income taxes withheld for each of those employees and any further information the commissioner may reasonably require.

The commissioner shall certify annually to the assessor on or before June 1st of each year the following information:

A. Employment, payroll and state withholding data necessary to calculate the base level of employment; [PL 2009, c. 641, §9 (NEW).]

B. The total number of employees added during the previous year within the base area above the base level of employment, including additional associated payroll and withholding data necessary to calculate the job tax increment and establish the appropriate payment to the fund; [PL 2009, c. 641, §9 (NEW).]

C. A listing of all employers within the base area that pay withholding taxes, the locations of those employers and the number of employees at each location; [PL 2009, c. 641, §9 (NEW).]

D. A listing of all affiliated businesses, data regarding current employment, payroll and Maine income tax withholding for each affiliated business within the base area; and [PL 2009, c. 641, §9 (NEW).]

E. Any information required by the assessor to determine the job tax increment pursuant to this section and the employment tax increment revenues pursuant to Title 36, chapter 917. [PL 2019, c. 659, Pt. E, §1 (AMD).]

[PL 2019, c. 659, Pt. E, §1 (AMD).]

5. Procedure for payment of revenue to the fund. On or before July 15th of each year, the assessor shall review the information required by subsection 4 and calculate the job tax increment for the preceding calendar year. The assessor shall also calculate the amount of the benefit base in the base area eligible for reimbursement to qualified Maine Employment Tax Increment Financing Program businesses pursuant to Title 36, chapter 917. Between July 1st and July 15th of each year, the assessor shall certify to the State Controller the total remaining job tax increment as a result of the limitation in subsection 3, paragraph D and the remaining benefit base after reimbursements have been made to qualified Maine Employment Tax Increment Financing Program businesses pursuant to Title 36, chapter 917. On or before July 31st of each year, the State Controller shall transfer 50% of the remaining job tax increment and 50% of the remaining benefit base to the state job tax increment contingent account established, maintained and administered by the State Controller from General Fund undedicated revenue within the withholding tax category. On or before July 31st of each year, the State Controller shall deposit this revenue into the fund and distribute the payments pursuant to subsection 3.

[PL 2023, c. 613, Pt. C, §3 (AMD).]

6. Administration. The Commissioner of Administrative and Financial Services shall administer the fund and may adopt rules pursuant to the Maine Administrative Procedure Act for implementation of the fund. Rules adopted pursuant to this subsection are routine technical rules pursuant to chapter 375, subchapter 2-A.

[PL 2009, c. 641, §9 (NEW).]

SECTION HISTORY

PL 2009, c. 641, §9 (NEW). PL 2019, c. 659, Pt. E, §§1, 2 (AMD). PL 2023, c. 613, Pt. C, §§1-3 (AMD).

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