



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



JANET T. MILLS
GOVERNOR

HEATHER JOHNSON
COMMISSIONER

February 28, 2019

Honorable Justin Chenette, Senate Chair
Honorable Anne-Marie Mastraccio, House Chair
Government Oversight Committee
82 State House Station
Augusta, Maine 04333-0082

Re: OPEGA report on Employment Tax Increment Financing Program (ETIF)

Dear Senator Chenette, Representative Mastraccio and members of the Committee:

In follow-up to the Government Oversight Committee's work session discussion on February 22, 2019 and in preparation for the additional work session scheduled for March 8th, the Department of Economic and Community Development is providing clarification with respect to our response to Recommendation #6 of OPEGA's ETIF report.

This recommendation states "The Legislature Should Clarify Whether the Same Qualifying Jobs May Be Claimed for Both ETIF and the MGHE Program." In DECD's Letter to the GOC, dated February 6, 2019, DECD indicated that we concur with the recommended legislative action. DECD made that concurrence with the understanding that the intent of this recommendation was to clarify legislative intent, going forward, as it relates to the eligibility of companies to participate in both MBHE and ETIF, as well as the Shipbuilding Program and ETIF. DECD did not interpret this recommendation to retroactively apply to a company or companies who were already participating and certified under one or more tax incentive programs.

The Department of Economic and Community Development would not support any attempt to take retroactive action.



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Please contact DECD Tax Incentive Program Director, Andrea Smith, with any questions or concerns you may have regarding this letter.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Heather Johnson'.

Heather Johnson
Commissioner

cc: Andrea Smith, DECD