**An Act to Authorize the Use of Tax Increment Financing Funds for Constructing or Renovating Municipal Offices and Other Municipal Buildings**

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

**Sec.** **1. 30-A MRSA §5225, sub-§1, ¶D,** as amended by PL 2021, c. 261, §7, is further amended to read:

D. Costs of constructing or improving facilities or buildings leased by State Government or a municipal or plantation government that are located in approved downtown tax increment financing districts; ~~and~~

**Sec.** **2. 30-A MRSA §5225, sub-§1, ¶E,** as enacted by PL 2021, c. 261, §8, is amended to read:

E. Costs associated with the development and operation of affordable housing or housing services for persons who are experiencing homelessness as defined in the municipality's or plantation's development program~~.~~; and

**Sec.** **3. 30-A MRSA §5225, sub-§1, ¶F** is enacted to read:

F. Costs of construction or renovation of municipal offices or other municipal buildings when, in the determination of the legislative body of the municipality, conditions exist that impair the proper functioning of government or otherwise hinder the vitality of the local economy; however, the costs may not exceed 10% of the total current assessed value of the tax increment financing district or $3,000,000, whichever is less, during a 20-year period for any one tax increment financing district.

**Sec.** **4. 30-A MRSA §5225, sub-§2,** as amended by PL 2019, c. 148, §4, is further amended to read:

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

**SUMMARY**

This bill permits revenue from tax increment financing districts to be used for the construction or renovation of municipal offices or other municipal buildings when the legislative body of the municipality determines that certain conditions are met. The bill limits the revenue that may be used for these purposes during a 20-year period for any one tax increment financing district.