



129th MAINE LEGISLATURE

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Legislative Document

No. 1629

H.P. 1172

House of Representatives, April 25, 2019

An Act Regarding Future Evaluations of the Pine Tree Development Zone Program

Reported by Representative MASTRACCIO of Sanford for the Government Oversight Committee pursuant to the Maine Revised Statutes, Title 3, section 1001, subsection 2.

Reference to the Committee on Innovation, Development, Economic Advancement and Business suggested and ordered printed pursuant to Joint Rule 218.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

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

2 **Sec. 1. 30-A MRSA §5250-P, sub-§2**, as enacted by PL 2017, c. 440, §5, is
3 amended to read:

4 **2. Evaluation; specific public policy objective; performance measures.** The Pine
5 Tree Development Zone program established by this subchapter is subject to ongoing
6 legislative review in accordance with Title 3, chapter 37. In developing evaluation
7 parameters to perform the review, the Office of Program Evaluation and Government
8 Accountability, the Legislature's government oversight committee and the joint standing
9 committee of the Legislature having jurisdiction over taxation matters shall consider:

10 A. That the specific public policy objective of the Pine Tree Development Zone
11 program established by this subchapter is to create and retain quality jobs in this State
12 by reducing the tax burden experienced by businesses and thereby making this State's
13 business tax burden more comparable to other states, encouraging location and
14 expansion of businesses in this State and improving the competitiveness of this
15 State's businesses; and

- 16 B. Performance measures, including:
- 17 (1) Change in employment levels of qualified Pine Tree Development Zone
18 employees;
 - 19 (2) Amount of investment directly related to a qualified business activity;
 - 20 (3) Comparison of business tax burden in this State to other states;
 - 21 (4) Comparison of other cost burdens in this State to other states;
 - 22 (5) Comparison of the amount of public incentives received from the Pine Tree
23 Development Zone program to the amount of public incentives received from
24 other incentive programs in the State;
 - 25 (6) Measures of industry competitiveness for businesses receiving Pine Tree
26 Development Zone benefits;
 - 27 (7) Measures of fiscal impact and overall economic impact to the State; and
 - 28 (8) Other measures as may be relevant to the evaluation of program outcomes.

29 The Office of Program Evaluation and Government Accountability shall provide a report
30 of its evaluation of the Pine Tree Development Zone program established by this
31 subchapter in accordance with Title 3, section 999 ~~by January 15, 2021~~ and shall also
32 provide this report to the joint standing committee of the Legislature having jurisdiction
33 over economic development matters, which may report out a bill to the ~~First Regular~~
34 ~~Session of the 130th~~ Legislature in response to the report's recommendations.

35 **SUMMARY**

36 Current law provides that the Government Oversight Committee establish a schedule
37 for the Office of Program Evaluation and Government Accountability to conduct reviews
38 of tax expenditure programs based on priority and the grouping of programs with similar

1 goals. This bill strikes a provision regarding the Pine Tree Development Zone program
2 that establishes the specific date of January 15, 2021 by which the Office of Program
3 Evaluation and Government Accountability must complete a review of the program.