



129th MAINE LEGISLATURE

SECOND REGULAR SESSION-2020

Legislative Document

No. 1958

H.P. 1402

House of Representatives, January 8, 2020

An Act To Expand Tax Increment Financing To Include Adult Care Facilities and Services and Certain Child Care Facilities

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Reference to the Committee on Taxation suggested and ordered printed.

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

ROBERT B. HUNT
Clerk

Presented by Representative MEYER of Eliot.
Cosponsored by Senator CLAXTON of Androscoggin and
Representatives: DOUDERA of Camden, FAY of Raymond, GRAMLICH of Old Orchard
Beach, HEPLER of Woolwich, MORIARTY of Cumberland, STOVER of Boothbay, Senators:
LAWRENCE of York, MOORE of Washington.

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

2 **Sec. 1. 30-A MRSA §5222, sub-§1-B** is enacted to read:

3 **1-B. Adult care facilities.** "Adult care facilities" means entities that offer programs
4 for persons who are 60 years of age or older who need assistance or supervision and that
5 are operated out of nonresidential commercial buildings. The programs offered at adult
6 care facilities include the provision of:

7 A. Services that allow family members or caregivers to be active in the workforce;

8 B. Professional and compassionate services for adults in a community and program-
9 based setting; and

10 C. Social and health services to adults who need supervised care in a safe place
11 outside the home.

12 **Sec. 2. 30-A MRSA §5222, sub-§2-A** is enacted to read:

13 **2-A. Child care facilities.** "Child care facilities" means entities that provide care for
14 at least 10 children who are less than 18 years of age by persons who are not family
15 members, legal guardians or other custodians of the children and that are operated out of
16 nonresidential commercial buildings. To meet this definition, a child care facility must
17 have a full-time director and a sufficient number of staff members whose sole function is
18 to provide necessary child care services. The services offered at child care facilities
19 include the provision of services that allow the children's family members, legal
20 guardians or other custodians the ability to be active in the workforce.

21 **Sec. 3. 30-A MRSA §5225, sub-§1, ¶C**, as amended by PL 2019, c. 148, §3 and
22 c. 260, §1, is further amended to read:

23 C. Costs related to economic development, environmental improvements, fisheries
24 and wildlife or marine resources projects, recreational trails, broadband service
25 development, expansion or improvement, including connecting to broadband service
26 outside the tax increment financing district, ~~or~~ employment training or the promotion
27 of workforce development and retention within the municipality or plantation,
28 including, but not limited to:

29 (1) Costs of funding economic development programs or events developed by
30 the municipality or plantation or funding the marketing of the municipality or
31 plantation as a business or arts location;

32 (2) Costs of funding environmental improvement projects developed by the
33 municipality or plantation for commercial or arts district use or related to such
34 activities;

35 (3) Funding to establish permanent economic development revolving loan funds,
36 investment funds and grants;

37 (4) Costs of services and equipment to provide skills development and training,
38 including scholarships to in-state educational institutions or to online learning
39 entities when in-state options are not available, for jobs created or retained in the

1 municipality or plantation. These costs must be designated as training funds in
2 the development program;

3 ~~(5) Quality child care costs~~ Costs associated with child care facilities and adult
4 care facilities and the services provided at those facilities, including finance costs
5 and construction, staffing, training, certification and accreditation costs related to
6 child care and adult care;

7 (6) Costs associated with new or existing recreational trails determined by the
8 department to have significant potential to promote economic development,
9 including, but not limited to, costs for multiple projects and project phases that
10 may include planning, design, construction, maintenance, grooming and
11 improvements with respect to new or existing recreational trails, which may
12 include bridges that are part of the trail corridor, used all or in part for all-terrain
13 vehicles, snowmobiles, hiking, bicycling, cross-country skiing or other related
14 multiple uses;

15 (7) Costs associated with a new or expanded transit service, limited to:

16 (a) Transit service capital costs, including but not limited to: transit vehicles
17 such as buses, ferries, vans, rail conveyances and related equipment; bus
18 shelters and other transit-related structures; and benches, signs and other
19 transit-related infrastructure; and

20 (b) In the case of transit-oriented development districts, ongoing costs of
21 adding to an existing transit system or creating a new transit service and
22 limited strictly to transit operator salaries, transit vehicle fuel and transit
23 vehicle parts replacements;

24 (8) Costs associated with the development of fisheries and wildlife or marine
25 resources projects; and

26 (9) Costs related to the construction or operation of municipal or plantation
27 public safety facilities, the need for which is related to general economic
28 development within the municipality or plantation, not to exceed 15% of the
29 captured assessed value of the development district; and

30 SUMMARY

31 This bill expands the permitted use of tax increment financing to include costs
32 associated with certain adult care facilities and child care facilities; current law permits
33 such use only for quality child care costs.