

JANET T. MILLS GOVERNOR

STATE OF MAINE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



MICHAEL DUGUAY COMMISSIONER

May 9, 2025

Testimony Neither For Nor Against

LD 1819: An Act To Amend the Brunswick Naval Air Station Job Increment Financing Fund

Senator Curry, Representative Gere and distinguished members of the Joint Standing Committee on Housing and Economic Development, my name is Shae McGehee and I am the economic development incentives manager with the Department of Economic and Community Development. Thank you for the opportunity to provide testimony for LD 1819.

While the Department is not testifying strictly for or against this legislation, we would like to offer several observations in support of the goals related to workforce inclusion, along with concerns about the proposed fiscal and infrastructure implications.

First and foremost, we support the inclusion of remote employees in the calculation of job tax increment benefits. As Maine's workforce evolves and telework becomes an increasingly permanent fixture, it is appropriate and forward-thinking to recognize the economic contributions of Maine remote workers – particularly those tied to place-based redevelopment efforts like those at the former Brunswick Naval Air Station. Expanding the definition of "employee" to include remote workers ensures we do not overlook their role in growing the local economy and sustaining high-quality jobs in Maine.

We understand and support the Authority extending the expiration date to 2051. We acknowledge that there is still work to be done and are encouraged to see the goal of 8000 employees.

That said, we would urge caution in shifting the funding allocation from a 50/50 split between the Midcoast Regional Redevelopment Authority and Southern Maine Community College to a 75/25 split. The success of redevelopment efforts in Brunswick has been due in part to strong partnerships, especially with workforce training institutions. Community colleges remain essential in preparing workers for the jobs these projects generate. Reducing their share may limit critical training capacity at a time when workforce needs are growing more complex.



STATE OF MAINE DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT



JANET T. MILLS GOVERNOR MICHAEL DUGUAY COMMISSIONER

Likewise, the proposed reallocation of 100% of the remaining tax increment to the fund, instead of maintaining a portion for the General Fund, may pose long-term fiscal concerns. While the redevelopment authority has demonstrated effective stewardship of resources, maintaining a balanced approach helps ensure sustainability and avoids setting a precedent that could affect broader tax increment financing policy.

Lastly, designating all roads under the authority's jurisdiction as public ways warrants close examination. While this clarification may help address regulatory ambiguities, it could also have implications for maintenance liability, traffic enforcement, and local jurisdiction that should be clearly understood and agreed upon by all affected stakeholders, including municipalities and public safety entities.

In closing, we commend the intent of the bill to strengthen redevelopment tools and support Maine workers, especially in innovative employment settings. We simply encourage the committee to proceed thoughtfully with the proposed fiscal and infrastructure changes to ensure long-term viability and equity of these efforts.

Thank you for your time and attention.