

OPEGA Limited Scope Review on PTDZ
Summary Prepared for GOC Meeting, February 26, 2021

PTDZ Scope Questions	Report Conclusions	PTDZ Report Presentation – GOC Discussion Items
<p>1. What changes have been made to the PTDZ program since OPEGA’s 2017 report?</p>	<p>Since 2017, the Legislature has made significant changes in the PTDZ program including clarification of program goals.</p> <p>PTDZ’s clarified program goals focus on the creation and retention of quality jobs.</p>	<p><u>Questions related to DECD:</u></p> <ul style="list-style-type: none"> • Whether DECD would address PTDZ’s alignment with the Strategic Plan more directly as DECD began Plan implementation? • How might PTDZ be made to better support the Plan?
<p>2. To what extent does PTDZ’s design effectively target the program’s newly stated objectives?</p>	<p>The amended design of PTDZ ensures that benefits will mostly be provided only to businesses that create and retain at least one quality job and requires notarization of “but for” statements filed by PTDZ applicants.</p> <p>The amended design, however, does not guarantee that PTDZ is actually resulting in more quality job creation and retention than would have happened without the program.</p> <p>Proactive program management of PTDZ could support strengthened oversight and help ensure PTDZ is effective.</p>	<ul style="list-style-type: none"> • How will DECD use the Plan in combination with the ERC Final Report as they work with the 130th Legislature to try to revive weakened sectors, particularly at the small business level? • How might DECD address the lack of a strong “but for” provision and the need for proactive program management and strengthened oversight of PTDZ? <p><u>Information from DECD:</u></p>
<p>3. To what extent does the PTDZ align with the State’s Strategic Economic Development Plan?</p>	<p>PTDZ is generally in line with the overarching goals of Maine’s Statewide Strategic Plan; however, PTDZ does not speak to the specific actions outlined in that Plan.</p> <p>The report of the Maine Economic Recovery Committee (ERC), expected December 2020, may shed some light on PTDZ’s role in the economic recovery following the COVID-19 pandemic.</p>	<p>Pre-COVID DECD had planned to assess all tax incentive programs to see what is working/not working, what can be improved, and if we need to design something new.</p> <p>Funding for the assessments was put on hold due to the pandemic; DECD is trying to figure out how to accomplish the work.</p>
<p>Updates since 11/20/20 PTDZ Report Presentation</p> <ul style="list-style-type: none"> • ERC report has been published, and DECD has begun posting Strategic Plan implementation updates online. • OPEGA reviewed the report and implementation updates and did not find any specific mention of PTDZ. 		