

DATE: April 12, 2023  
TO: Government Oversight Committee  
FROM: Jennifer Henderson, OPEGA Analyst  
RE: GOC Approval of Parameters for 4 Upcoming Tax Expenditure Evaluations

### **Worksheet for Committee Discussion**

Enclosed is a worksheet for Committee members to consider for the purpose of approving/setting evaluation parameters for OPEGA's full evaluation of tax credits for:

- 1) Shipbuilding Facility Investment;
- 2) Major Business Headquarters Expansion;
- 3) Major Food Processing and Manufacturing Facility Expansion; and
- 4) Paper Manufacturing Facility Investment.

Pursuant to 3 MRS §999(1), the GOC is required to approve the following parameters prior to the start of each tax expenditure evaluation:

- The purposes, intents, or goals of the program;
- The program's intended beneficiaries;
- The evaluation objectives; and
- Performance measures appropriate for analyzing the evaluation objectives.

Prior to approval, the GOC is required to consider recommendations from OPEGA and input from the policy committee and stakeholders. OPEGA provided recommended parameters at the GOC's March 24, 2023 meeting. At that meeting the Committee also received public comment on the proposed parameters. The Taxation Committee provided no comment.

The worksheet attached summarizes public comment received by the GOC with OPEGA's recommendations for changes to the parameters where applicable.

### **Committee Process for Approval – Vote Required**

Since the parameters approved by the GOC guide OPEGA's evaluation approach, it is important the intent of the Committee is stated clearly and supported by an affirmative vote.

- If the Committee wishes to approve the parameters as originally proposed, **or** to approve the parameters with the change recommended by OPEGA in the attached worksheet, this can be done with one motion/vote applicable to all 4 tax credits.
- If the Committee would like to amend the parameters beyond, or differently than, the change recommended on the attached worksheet, the motion(s) should reference which of the 4 tax credits the change(s) applies to, **and** the specific section (purpose, beneficiaries, evaluation objectives, performance measures) to which the change applies.