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STATE OF MAINE
ONE HUNDRED AND THIRTY-FIRST LEGISLATURE
COMMITTEE ON INNOVATION, DEVELOPMENT, ECONOMIC ADVANCEMENT AND BUSINESS

To: Senator Margaret Rotundo, Senate Chair
Representative Melanie Sachs, House Chair
Joint Standing Committee on Appropriations and Financial Affairs

From: Senator Chip Curry, Senate Chair
Representative Tiffany Roberts, House Chair

Re: Innovation, Development, Economic Advancement and Business Committee Report on
Committee Work Related to the Change Package to LD 258

Date: May 30th, 2023

As chairs of the Joint Standing Committee on Innovation, Development, Economic Advancement and Business (IDEA Committee), we write to convey to the Joint Standing Committee on Appropriations and Financial Affairs (AFA Committee) that, although the IDEA Committee has opted to not provide formal feedback regarding the items in the Governor's Change Package that are within the IDEA Committee's jurisdiction, the IDEA Committee would like to provide information regarding its efforts to support economic and workforce development during the 131st Legislature's First Regular and First Special sessions that may be helpful for the AFA Committee to consider in its deliberations regarding the Governor's Change Package.

The IDEA Committee has worked hard over the First Regular and First Special sessions to bring together members of each caucus on a number of important bills designed to support economic and workforce development in Maine. In particular, the committee voted unanimously on the following bills:

- *LD 32, An Act to Update the Maine State Grant Program*
- *LD 238, An Act to Create a Program for Mortgage Assistance for Persons with Illnesses Related to COVID-19*
- *LD 632, An Act to Amend the Social Work Education Loan Repayment Program*
- *LD 1198, Resolve, Directing the Department of Economic and Community Development to Convene a Working Group to Improve the State's 10-year Economic Development Strategy*
- *LD 1256, An Act to Increase Access to Oral Health Care by Expanding the Maine Dental Education Loan Program*
- *LD 1318, Resolve, Directing the Maine Technology Institute to Review Targeted Technology Sectors and Industry Clusters*

- *LD 1797, An Act to Expand Maine's Health Care Workforce by Expanding Educational Opportunities and Providing Tax Credits*
- *LD 1918, An Act to Modernize Maine's Business Incentive Programs by Creating the Dirigo Business Incentives Program and Eliminating Certain Other Tax Incentive Programs*

The unanimous support for the bills listed above, exemplifies the IDEA Committee's efforts to address workforce and economic development in critical sectors of Maine's economy and provide direct support for those sectors that need help most.

The IDEA Committee would also like to emphasize that its work on the Governor's bill, *LD 1918, An Act to Modernize Maine's Business Incentive Programs by Creating the Dirigo Business Incentives Program and Eliminating Certain Other Tax Incentive Programs* is an essential component to achieving the goals stated above. As stated in the testimony provided to the IDEA Committee by the Department of Economic and Community Development:

"The fundamental goal of the proposed Dirigo Business Incentives program is to grow and diversify Maine's economy to increase the prosperity of Maine people."

During the public hearing and the work session, the committee discussed how Maine's current Pine Tree Development Zone Program is not working for the modern Maine economy. The IDEA Committee believes that the Dirigo Business Incentives Program will be an effective way to stimulate both workforce and economic development in Maine by providing clear, achievable benefits and expanding the economic sectors that are eligible for benefits to capture sectors that are endemic to Maine's economy.

The approach taken by the IDEA Committee during the First Regular and First Special sessions of the 131st Legislature is one that looks to both support workers and expand business opportunities in the State. The Dirigo Business Incentives Program contributes to these efforts by creating real incentives to do business in Maine and makes Maine competitive with neighboring states. This will, in turn, lead to more jobs in Maine and a create a healthier workforce.

While the IDEA Committee understands that the provisions of LD 1918 are duplicated in Language Part J of the Governor's Change Package and designated for review by the Taxation Committee, the IDEA Committee would like to emphasize that its unanimous support for the OTP-AM report represents careful consideration of how best to support workforce and economic development in Maine, and is designed to work in conjunction with the other bills the committee supported this session.

Thank you for your consideration, we hope this information is helpful in your consideration of the Governor's Change Package.

Sincerely,



Sen. Glenn "Chip" Curry
Senate Chair



Rep. Tiffany Roberts
House Chair

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