

MAINE DEVELOPMENT FOUNDATION

August 27, 2009

Bill Diamond, Senate Chair
Emily Cain, House Chair
Members, Joint Standing Committee on Appropriations and Financial Affairs
c/o Office of Fiscal and Program Review
Maine State Legislature
5 State House Station
Augusta, ME 04333-0005

Dear Senator Diamond and Representative Cain,

I am writing in response to your letter of August 18, 2009 requesting all Departments and Agencies to detail the relative importance to mission and priority of State General Fund monies. The Maine Development Foundation receives 2 direct appropriations for distinctly different programs and I am happy to detail their relative importance.

By way of background, the Maine Development Foundation (MDF) was created in State statute 31 years ago to serve as a partner with Government for long-term economic development. MDF is a stand alone 501 (c) 3 non-profit organization that derives funding from a wide variety of sources.

The Mission of the Maine Development Foundation:

The Maine Development Foundation (MDF) drives sustainable, long-term economic growth for Maine. MDF stimulates new ideas, develops leaders, and provides common ground for solving problems and advancing issues. To accomplish this mission, MDF, through its programs and research:

- Empowers leaders
- Strengthens communities
- Guides public policy

REALIZE!Maine (mission critical – high priority):

- **FY2008** **\$35,000**
- **FY2009** **\$34,800**
- **FY2010** **\$31,703**

This program falls under MDF's mission and serves a particularly important cohort – young professionals in Maine. Young people are critical to Maine's long-range prosperity and quality of life. In order to retain and attract more young residents, REALIZE!Maine raises awareness of opportunities for young people to realize their professional and personal aspirations in Maine, and connects young people to social, civic, and career opportunities throughout the state. This touches all aspects of our mission. Additionally, half of this appropriation goes directly to fund the work and projects of young

professionals around the state. Over the past 3 years, the number of local Realize affiliates has grown from 3 distinctly separate groups in Bangor, Portland and the mid-coast involving roughly 300 individuals, to 12 local affiliates, connected to each other and to statewide opportunities through a network managed by MDF, involving over 3,000 young people from Aroostook to York County, from the Oxford Hills region to the mid-coast and every major urban hub along the interstate corridor from Portland to Bangor. This money leverages additional private and public funds in communities all over the state. Maine gets a great return on a relatively small investment. This program is **mission critical** and we ask that it remain in place if at all possible.

Maine Economic Growth Council – R&D Piece (mission supportive - priority):

- **FY2008** **\$5,000**
- **FY2009** **\$4,313**
- **FY2010** **\$3,930**

The Maine Economic Growth Council (MEGC) and the annual *Measures of Growth* Report are both top priorities for MDF and the State of Maine. The MEGC was established to develop a long-range economic plan for the state and to measure our progress in achieving the plan's benchmarks and goals. The non-partisan council accomplishes this through the annual release of the Measures of Growth report on the Maine economy. This impartial data-driven report informs debate and action and remains an invaluable resource for policy makers and business leaders in and out of Maine.

This small piece in question, the R&D recommendation, was an add-on, in statute, two years ago. Legislation was created that directed the MEGC to work with the Maine Innovation Economy Advisory Board (MIEAB). Per the legislation, the MEGC is to use the MIEAB technical recommendations to make R&D investment recommendations to the Governor's office. The original piece was for \$5,000 and this paid for four additional months of work from MDF and the MEGC. In our experience this does not cover the cost and time of this task. The appropriation is now lower at \$3,930. This piece of the MEGC work is not as high a priority as the *Measures of Growth* Report but we ask that if the \$3,930 appropriation is reduced more or eliminated that you consider some form of recommendation/directive to either remove the piece of the legislation that created this additional task or that MDF and the MEGC are allowed to defer this task until monies are again available in the future.

If you have any questions, please don't hesitate to contact me.

Sincerely,



Laurie G. Lachance
President & CEO