

Good Morning, Sen. Hickman, Rep. Fay and Members of the Government Oversight Committee. My name is Linda Caprara. I am the Vice President of Advocacy for the Maine State Chamber of Commerce and a resident of Winthrop. We are pleased to speak in support of OPEGA's report on Maine's shipbuilding credit.

We know firsthand how important our shipbuilding industry here is to the State's economy and Maine jobs. Back in 2018, the Maine State Chamber of Commerce was proud to testify in strong support of the enactment of the Shipbuilding Credit. The MSCC knew that it was imperative the industry remain competitive and without the credit, Maine would be the least competitive state for this industry. In fact, without this credit we firmly believe our shipbuilding industry would suffer the consequences that comes with the lack of investment and it's impact on the long-term survival of one of Maine's most important industries.

We are very pleased to see that the report concludes that Bath Iron Works has clearly exceeded the expectations under the statute in two areas, job creation and investment. The report states that Bath Iron Works has exceeded statutory minimums in the areas of job creation increasing jobs from 5,844 in 2019 to 6,870 in 2022. Equally as important, the company also went above and beyond the minimum required investment of \$100 million in Q1 and invested \$200 million. The credit is obviously working as intended and the outcomes have only increased the benefits to the State.

The benefits to Maine are also clearly stated in the report. One of the performance measures for evaluation was fiscal impact and overall economic impact to the state. While the expected cost to the State was \$45 million over 15 years, the one-time estimated impacts on Maine's economy so far have been 977 jobs temporarily supported, \$3.2 million in state tax revenues and \$60.7 million in state GDP just within the first couple of years.

In addition, BIW has been very diligent in their reporting of information to the Department of Economic & Community Development and have been exceptionally transparent. We understand there were some issues surrounding guidance by the DECD, however, we feel confident the department going forward will address these issues.

In conclusion, we fully support the Shipbuilding credit and feel it is absolutely critical to maintaining a competitive industry here in Maine.

I would be happy to answer any questions you may have.