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March 11, 2021

Heather Johnson, Commissioner Department of Economic and Community Development 59 State House Station Augusta, Maine 04333-0059

Dear Commissioner Johnson:

At its February 26, 2021 meeting the Government Oversight Committee received public comment and conducted a work session on the OPEGA report on the Pine Tree Development Zones (PTDZ) – Limited Scope Review (November 2020). During its work session, the GOC discussed four questions that would benefit from consideration and follow-up by DECD. We are writing to request that DECD, in consultation with MRS, respond to these four questions as follows:

- (1) How might DECD address the alignment of the PTDZ program with the Maine Economic Development Strategy, 2020-2029 (Strategic Plan)?
- (2) How will DECD use the Strategic Plan in combination with the final report of the Governor's Economic Recovery Committee in its work with the 130th Legislature on efforts to revive weakened sectors of the economy, particularly at the small business level?
- (3) How could DECD address the lack of a strong "but for" provision in PTDZ?
- (4) What recommendations does DECD have to strengthen program management and oversight of PTDZ to help ensure the program is effective?

We respectfully request that DECD report back to the GOC on these questions by April 12, 2021. Thank you for your attention to these important issues.

Sincerely,

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Nathan L. Libby Senate Chair

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Genevieve McDonald House Chair

cc: Members, Government Oversight Committee

Members, Joint Standing Committee on Taxation Members, Joint Standing Committee on Innovation, Development, Economic Advancement & Business Phoenix McLaughlin, Department of Economic and Community Development Michael Allen, Department of Administrative and Financial Services Julie Jones, Office of Fiscal and Program Review Rachel Olson, Office of Policy and Legal Analysis Lucia Nixon, Office of Program Evaluation and Government Accountability

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