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May 19, 2023

Innovation, Development, Economic Advancement and Business Committee,

I am writing in support of 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 “

Somerset Economic Development has provided services throughout Somerset County since 1999 and although we have had significant impact and successes helping businesses start or grow, we feel there is still tremendous opportunity in Somerset County and more we all could provide to assist our businesses in rural Maine.

Since 2001, Somerset County’s real GDP has grown 5.6%, compared to 28.5% for Maine as a whole (and 47.8% for the United States). Like many of Maine’s more rural areas, Somerset County has had difficult years of disinvestment. Recently, there has been an upswing in economic activity but in our opinion, Maine’s business incentive offerings fall short compared to other states across the country.

LD 1918 would incentivize more businesses to provide quality training for their workers and is a great way to advance the workforce in our area as Somerset’s workforce participation rate is failing compared to the rest of the state. Instead of having to figure out what training programs are worthwhile and how to pay for them, workers can gain skills and advance their careers more directly through trainings their workplace arranges.

LD 1918 would also incentivize more capital investment—investment in physical facilities and equipment placed in Maine communities—helping businesses add valuable assets to Somerset County towns and contribute more to our economic success.

The Dirigo Business Incentive program will be more accessible to small and medium-sized businesses that are an important part of growth in Maine’s more rural areas, while still providing value for the larger businesses that anchor our county’s economy.

Somerset Economic Development encourages the IDEA Committee to support LD 1918 and add to our economic development toolkit for all of us in development work to utilize and move our communities forward.

Thank you for your time and consideration.

A handwritten signature in blue ink, appearing to read "Christian Savage".

Christian Savage
Executive Director