

April 23, 2025

Housing and Economic Development Committee Senator Curry and Representative Gere – Chair(s) 100 State House Station Augusta, ME 04333

RE: LD 1664 An Act to Repeal the Dirigo Business Incentives Program

I am writing to express my strong opposition to LD 1664 as proposed to the Housing and Economic Development Committee. My name is Arthur Batson III, and I serve as President and CEO of Lucas Tree Experts. Our company was founded in Maine in 1926, and today we employ approximately six hundred certified arborists across ten U.S. states and three Canadian provinces, providing essential Utility Vegetation Management services.

As a third-generation, family-owned business, we are proud to be one of the primary contractors for local utilities including Central Maine Power, Versant Power, and Eastern Maine Electric. Our crews work daily to ensure safe and reliable energy by maintaining the vegetation around distribution lines and transmission corridors.

The Dirigo Business Incentive Program was enacted with bipartisan support to address two critical challenges Maine continues to face: limited capital investment and a lack of workforce training. From a business owner's perspective, the equation is simple - higher taxes reduce the capital available for investing in employees and expanding business operations.

The prosperity of Maine's workforce is directly tied to the health of its business community. Unfortunately, Maine suffers from a business environment that discourages growth and job creation. We lack a diverse and expanding economy and are overly reliant on federal funding to execute our state budget and policies.

Consider the following information:

- Maine's economy ranks #43 (8th worst)
- Maine ranks 4th highest in the nation for overall tax burden.
- Our top marginal income tax rate ranks 10th highest in the U.S.
- Corporate tax rates place Maine at 5th highest nationally.
- Property tax burden is the highest in the country (ranked #1).
- Access to capital ranks 40th among U.S. states.
- Maine is 45th out of 50 in rankings for the best states to start a business (2024).
- We rank 11th among states that receive more federal funding than they pay in federal taxes.

These rankings make it clear: Maine is at a disadvantage when it comes to attracting and retaining businesses and the workforce they support. Other states are aggressively competing to attract jobs and talent by fostering business-friendly environments. Jobs follow investment, and investment

follows favorable policies that business can plan for.

The Dirigo Business Incentive Program is a strategic policy that supports industries foundational to our state—agriculture, forestry, fishing, and aquaculture—while also encouraging innovation in biotech, engineering, and data processing. This program benefits businesses of all sizes that are committed to investing in Maine's workforce.

Rather than enacting policies like LD 1664 that risk discouraging economic growth, we should focus on enabling Maine businesses to invest in people, not penalize them for trying to grow.

Respectfully

Arthur Batson III President & CEO www.lucastree.com