



Senator Curry, Representative Gere, and Honorable Members of the Joint Standing Committee on Housing and Economic Development: My name is Nora Flaherty, and I work for the Maine People's Alliance.

MPA is Maine's largest community action organization with over 32,000 members across the state. Our mission is to create a world where everyone has what they need and contributes what they can, and no one is left behind.

That is why I am testifying in support of LD 1664, An Act to Repeal the Dirigo Business Incentives Program.

Our state is in a time of economic uncertainty, and in these challenging times, we need to rethink the calculus we use to determine what is a good use of taxpayer dollars, and where we can the best return for our money.

Today, [Maine spends nearly as much on tax giveaways to businesses as we do on education – more than \\$1 billion every year](#). Those include giveaways to large and successful corporations like General Dynamics and IDEXX. At the same time, we have very limited information on the actual benefit to Maine people of these investments. [Studies](#) show that corporations are much more likely to use these tax giveaways to benefit their stockholders than they are to use them to invest in workers and communities, which is not the intent of this program, but may well be the effect. And this is a time when many of the businesses receiving this are doing well financially.

We also need to look at the structure of the program, to see if it is meeting the intention and goals of the original idea. The requirement that , the [\\$500,000 capital investment](#) companies must spend to qualify for and receive the tax credit is more than [the median Maine small business owner makes in entire year](#), putting it out of reach of most small businesses, which make up the backbone of Maine's economy.

As I mentioned, many of these corporations don't need our state's financial support – even [given the economic insecurity](#) of this moment, they're [showing record profits](#), at a time when there are so many of our neighbors and friends in need.

Average Mainers are making it more and more clear –we do not want our legislators cutting programs that we depend on like [childcare](#) and [health care](#), to fund tax cuts for businesses and the wealthiest individuals. In fact, what most Americans want is for those groups to [pay what they truly owe](#) our state in taxes – so we can all have what we need to thrive.

In this time of economic uncertainty and increasing need, it is incumbent upon us to rethink the practice of giving tax incentives to profitable corporations while those with housing, economic, and mental health needs do without. In this time, we ask that you eliminate the Dirigo Business Incentives Program. We can more equitably and efficiently use the money the program costs Mainers to fund programs we need in this moment. – investing in our workforce, health care, childcare, and more.

I urge you to vote “ought to pass” on LD 1664, “An Act to Repeal the Dirigo Business Incentives Program.” Thank you.